



Διπλωματική Εργασία

NON-MONETARY INCENTIVES IN CORPORATE GREECE

του/της

ΠΑΡΑΣΚΕΥΗ ΠΑΠΑΔΟΠΟΥΛΟΥ ΤΟΥ ΠΑΝΤΕΛΗ

Υποβλήθηκε ως απαιτούμενο για την απόκτηση του μεταπτυχιακού
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The purpose of the present study is to identify which non-monetary incentives can be considered antecedents of the development of two main job attitudes, job satisfaction and organizational commitment, and its constituents, affective and normative commitment. The investigation was conducted by the help of a survey, in which 144 employees working in private organizations of different business sectors and of various sizes in Greece completed a structured questionnaire. Using factor analysis four groups of incentives were formed and using regression analysis the impact of each predictor on job attitudes was assessed. The findings suggest that different sets of incentives play a role in shaping each job attitude. Management can utilize these findings to further develop their human resources management systems to improve motivation, satisfaction and retention of their employees.

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1. INTRODUCTION

People, often, work just enough to avoid getting fired. Employers, often, reward their employees just enough to avoid losing them. This does not seem to be the optimal employment relationship. In fact, it seems to be the opposite of the optimal employment. Optimal employment means that the employee gives one hundred per cent of their effort and productivity, while the employer provides them in return, with as a meaningful and satisfying working context as possible. This is the meaning of the psychological contract. Unfortunately for both employees and employers, this give-and-take relationship, often, balances at a less than desired level. It is truly unfortunate, because neither of them gets the most out of their investment, either psychological or financial. Employees end up dreading going to work every day, while employers try to minimize the costs associated with labor, often to the detriment of their firms' future growth.

This fact appears almost inevitable. The idea that employees and employers have opposing interests is so wide-spread that supporting the opposite seems naïve to most people. This is reasonable up to a point. The more an employer pays its working force, the fewer earnings are left for the company. But there is another perspective as well, that the more efficiently employees work, the more money the company makes and the more there is to distribute to the labor force. It is possible for employers and employees to have common goals. In reality, though, restrictions, such as minimum wage agreements, pre-established economic practices and financial crisis settings make this outcome almost impossible. These days the majority of workers and businesses, especially the smaller ones, struggle to survive, let alone achieve optimal results.

Under those circumstances, it seems that a small firm, or even a larger one, that cannot allocate the necessary financial resources to reward its employees more, may find it difficult to keep its workforce from leaving and even attract new, talented people, thus entering a vicious cycle. Luckily, people do not work only for money. Primarily, they work for money in order to maintain, of course, a standard of living, but when this base is at least covered, there are other things they look for in an employment relationship, that can make the difference between staying and leaving, between working efficiently and working just enough. Usually, those other things do not cost the organization anything more than time and some effort, things like, being allowed to take initiative, friendly co-workers, supportive supervisors, or a position that is secured, among other things. These characteristics give identity to an organization, making it a unique place to work and differentiating it from the others. They are what makes an employee think twice before accepting a job offer for more money in another firm.

The significance of these, often, overlooked issues has led to this study. The main purpose was to examine and understand the impact of these non-monetary incentives, that are embedded in an organization's culture, on employees' job attitudes, than in turn have been found in the past to influence turnover and performance outcomes. The particular job attitudes under study in this case were organizational commitment, which is the feeling of attachment and devotion to the organization's goals and values, and job satisfaction, which shows how content employees are with their working settings. The aim was to add to existing literature concerning the relationship between non-monetary incentives and either organizational commitment either job satisfaction, but rarely both. The settings for the research were private enterprises of various sizes in Northern

Greece. The implications of the study can be very helpful to managers in developing effective human resources practices.

The remainder of the paper is structured as follows. The next section analyses the relevant literature and presents the main research hypotheses. This is followed by the methods adopted for this research. Next, the main results are presented and finally the discussion is followed by the main contributions of the study.

2. LITERATURE REVIEW

2.1 The Psychological Contract

Individuals come into an employment relationship with their organization believing that their efforts are going to be rewarded by their employer and that there exists a mutual obligation between the employee and the employer. Besides the formal, written contract that is agreed upon once the person joins an organization's working force and that explicitly states the rules of employment, perhaps more important is the informal, unwritten, psychological contract that develops constantly. The psychological contract is characterized by the employee's subjective perspective of what they are promised to receive from the organization in exchange for their work behaviour (Rousseau, 1989). The employees provide the organization with their skills, time and effort and expect from the organization in return to help them fulfill their needs and achieve their goals. The psychological contract is, thus, based on an implied promise of reciprocity and created from the part of the individual, not the organization (McDonald and Makim, 2000).

The importance of the psychological contract lies in its motivational power. According to the exchange theory when employees feel that their organization meets their expectations and fulfills their working needs they respond with increased commitment, which in turn leads to more rewards, resulting in a cycle beneficial to both employees and the organization (Malhotra, Budhwar and Prowse, 2007). Furthermore, the way the employer responds to these expectations has been found to affect the outcomes of job satisfaction and work performance (Robinson, 1996).

The role the psychological contract plays in employee motivation and attitude shaping becomes even more apparent in cases of contract violation. If, in some way, the organization fails to reward an employee's contribution in a manner that the employee believes to be appropriate, this can prove damaging to the employment relationship and lead to loss of trust (Rousseau, 1989). Other outcomes of contract breach can be: reduced job satisfaction, increased turnover, decreased feelings of obligation to the organization, decreased willingness to show organizational citizenship behaviour and poorer work performance (Turnley and Feldman, 2000). Because contract violation can produce intense negative emotional and attitudinal responses it can even go as far as to provoke retaliatory behaviours such as theft or sabotage (Coyle-Shapiro and Kessler, 2000). It seems reasonable after all this, to infer that employers have a lot to gain by trying to explore their employee's expectations of them and, at least, attempting to meet them in the degree that this is possible.

2.2 Organizational Commitment

Many researchers in the past have established that the notion of the psychological contract is strongly tied to the employee's commitment to an organization (McDonald and Makim, 2000; Coyle-Shapiro and Kessler, 2000). It seems that the level of

organizational commitment an employee displays is indicative of the state of the psychological contract. Low levels of commitment might mean that the employee feels that the contract has not been honored by the employer.

The concept of organizational commitment has been described to include the acceptance of the individual of the organization's values, the willingness to show effort for the benefit of the organization and the desire to remain an employee (Mowday, Porter and Steers, 1982). Cook and Wall (1980) describe organizational commitment as an attachment to the organization's goals and values, which takes the forms of identification, as a feeling of pride and belonging to the organization, of involvement, which is the eagerness to exert personal effort for the good of the organization, and of loyalty, meaning the feeling of attachment and obligation to the organization.

For Meyer, Allen and Smith (1993) organizational commitment has three distinct dimensions. The first one is the affective commitment, which shows the person's emotional attachment to the organization. The employees who display affective commitment stay with the organization because they want to, and because they have experienced positive working situations in their employment relationship. This kind of commitment has been found to create the most positive job-related attitudes (Markovits, Davis and Van Dick, 2007). The second type of commitment is the normative commitment. In this case employees stay with an organization because they feel obliged to it. They feel that the organization has invested in them and they ought to repay it by remaining to it. The third kind is continuance commitment, in which case employees stay, because by leaving they will lose benefits earned by seniority or because the costs associated with leaving are high. It seems that the different types of commitment are

influenced by different factors, but, also, have different consequences (Meyer et al., 1989).

Commitment has been proved to be a predictor of many important organizational outcomes. First of all, the relationship between commitment and turnover has been examined extensively over the years and there seems to be a consensus regarding it. They seem to be significantly and negatively related to each other (McFarlane-Shore and Martin, 1989; Wong, Ngo and Wong, 2002; Arnold and Feldman, 1982; Blau and Boal, 1987). In fact, organizational commitment seems to be the dominant antecedent variable of turnover (Reid et al., 2006). Additionally, organizational commitment is strongly related to withdrawal cognitions, meaning thoughts of reducing effort, lowering job involvement, sabotage and thoughts of quitting (Davy, Kinicki, and Scheck, 1997), and to absenteeism (Blau and Boal, 1987). On the other hand, the relationship between commitment and performance is still somewhat unclear. Although there are researchers who claim that organizational commitment appears to have an impact on job performance (DeCotiis and Summers, 1987) there are more who argue that this relationship is weak (McFarlane-Shore and Martin, 1989; Riketta, 2002) and that perhaps, commitment influences performance, only through its effect on effort (Leong, Randall and Cote, 1994). Commitment is also connected to job satisfaction (Meyer et al., 2002).

2.3 Job Satisfaction

Job satisfaction shows how pleased an individual is with their job. It has been defined by some researchers as a positive emotional reaction which results from the appraisal of an employee's job experiences (Cranny, Smith and Stone, 1992; Locke, 1976). Weiss's (p.177, 2002) definition includes three separate constructs: "overall evaluative

judgments about jobs, affective experiences at work, and beliefs about jobs". Job satisfaction has also been found to have strong links with an employer's psychological contract behaviour (Robinson, 1996).

Job satisfaction is a very significant aspect of employees' work behaviour, which explains why it is so frequently measured by organizations. Employees who are satisfied with their jobs are more likely to perform better (Petty, McGee and Cavender, 1984; Poole and Jenkins, 1998). They are also less likely to leave the organization (Angle and Perry, 1981) and to show withdrawal cognitions (Davy, Kinicki, and Scheck, 1997). Oliver (1998) showed that organizations that used effective management to keep their employees satisfied achieved 19 per cent higher profits and 18 per cent higher productivity. Grant (1998) similarly found that firms with satisfied staff yielded about 10 per cent higher profits than those with dissatisfied staff.

2.4 Non-Monetary Incentives

After establishing the importance of such elements as organizational commitment and job satisfaction on employee behaviours that promote firm performance and effectiveness, what remains is to understand the means by which employers can influence them in order to obtain the desired results. The answer is that this can be achieved through HR practices that focus on supplying the employees with those motivational factors that drive them to give their best efforts and show positive work attitudes, and that help them foster a valuable relationship with the organization. These factors or incentives can be either extrinsic or intrinsic in nature. Extrinsic are considered those that are not tied to the content of a specific job (Manolopoulos, 2008) but that indirectly facilitate employees to satisfy their working needs by providing them with a comfortable and safe environment. Factors such as compensation, benefits, team

support, job security, working conditions, supervision, promotional opportunities and flexible schedules are considered extrinsic incentives. Intrinsic incentives, on the other hand, are inherent in the particular job content and satisfaction of the needs is derived from the implementation of the activity itself. Hackman and Oldham (1976) maintain that there is a core of job dimensions, such as skill variety, task identity and significance, autonomy and feedback, that combined with three critical psychological states produces meaningfulness and other important personal and organizational outcomes. Other intrinsic incentives are role clarity, participation in decision making and training opportunities.

Another distinction is between monetary and non-monetary incentives. Both types are very important motivators, although if employees feel that they are paid unfairly and/or they cannot sustain a minimum standard of living no matter how many other incentives are offered will not be adequate to keep these employees in the organization. Once an equitable amount of pay is secured, other, non-monetary factors emerge as equally, if not more, important determinants of employee motivation. Monetary incentives do not have the ability to link workers with the organization, they cannot be shared by all the employees and they create conflicts of interest, because, for example, the more money the employees receive the less is left for the organization and vice versa (Sorauren, 2000). Non-monetary incentives respond to higher psychological needs, such as the needs for self-actualization and esteem, according to Maslow's (1943) hierarchy.

However, not all incentives are equally motivating to all people. Studies have shown that incentive preferences can be influenced by the career stage an individual is in (Ballentine et al., 2003) and that, also, demographic and dispositional factors play a part in this (Cadrain, 2003). This means that in order to be more effective, incentives should,

perhaps, be tailored to the needs of each employee. Other researchers argue that incentives should be adapted not to the needs of the workers but to the strategy of the firm and there are also those who believe that a package of specific employment practices can be beneficial to any firm, regardless of its strategy or form (Delery and Doty, 1996).

Next, the non-monetary incentives most prominent in the literature are presented briefly, categorized as either extrinsic or intrinsic.

2.4.1 Extrinsic Incentives

2.4.1.1 Team Support

This incentive describes the extent to which someone perceives their colleagues to be supportive, helpful and cooperative with each other as a team in order to achieve organizational goals. It, also, involves the sharing of knowledge. Team support has been found to have an impact on job attitudes and especially on organizational commitment (Mottaz, 1988).

2.4.1.2 Job Security

Job security is a major motivator and one that seems to be applicable cross-culturally. Studies performed in Greece (Manolopoulos, 2008), in China (Gong and Chang, 2008) and in the United Arab Emirates (Yousef, 1998) all show that a secure and permanent job setting is particularly valued among employees. Job security apparently is positively and strongly related to job satisfaction, to organizational commitment (Young, Worchsel and Woehr, 1998) and, additionally, has a direct impact on employee turnover (Wong, Ngo and Wong, 2002) and withdrawal cognitions (Davy, Kinicki, and Scheck, 1997).

2.4.1.3 Promotional Opportunities

Another powerful determinant of organizational commitment is the perceived prospect of career advancement and of opportunities for growth and development in the organization (Lang, 2008). In addition, clear career prospects have been found to decrease employee turnover.

2.4.1.4 Working Conditions

This refers to the environment surrounding the employees, both psychologically and physically (Steen, 1997), such as workplace layout, facilities, equipment (Appelbaum and Kamal, 2001). Individuals perform better in situations where their health and safety are at least, guaranteed and where there is a friendly and quiet atmosphere.

2.4.1.5 Flexible Schedule

The ability to fit the work schedule according to one's needs is valued by the majority of the employees (Golden, 2008). However, it seems that most employers apply it selectively to certain job types and according to perceived cost savings and not so much as a means of reward or in order to promote retention.

2.4.1.6 Supervision

This describes the perceived value of the supervisor in being supportive, competent, inspiring and having adequate leadership skills. Considerate supervision seems to promote organizational commitment and positive job attitudes (Reid et al., 2006).

2.4.2 Intrinsic Incentives

2.4.2.1 Recognition – Feedback

Feedback is regarded an important motivational characteristic, as it provides the

employee with the information on how well they are doing and how far they are from their target. It involves getting praise for a job well done and recognition for accomplishments from one's supervisors (Appelbaum and Kamal, 2001).

2.4.2.2 Job Enrichment – Skill Variety

This refers to the degree the employee has the opportunity to utilize their various skills, to develop new ones and to execute challenging tasks. A job free from repetitiveness and monotony can serve as a great reason to stay with an organization and commit to its goals and values (Hackman and Oldham, 1976).

2.4.2.3 Work Importance

This refers to the significance an individual attributes to their work and to how meaningful they consider their job to be for themselves and for society in general. It has shown positive associations with affective commitment in particular (Reid et al., 2006).

2.4.2.4 Autonomy

This regards the amount of freedom an employee has in executing their work and whether or not they are able to show personal initiative. It is considered an important job characteristic and is expected to affect both organizational commitment and job satisfaction (Malhotra, Budhwar and Prowse, 2007)

2.4.2.5 Participation in Decision Making

This describes the extent to which an employee can influence decisions regarding their job and whether their voice is being heard by their superiors (Malhotra, Budhwar and Prowse, 2007).

2.4.2.6 Role Clarity

Role clarity or its opposite, role ambiguity is also a factor which can help develop commitment and satisfaction with the organization (Malhotra, Budhwar and Prowse, 2007). Having role clarity means knowing exactly what is expected from the employee, how their performance is going to be evaluated, what their responsibilities are and which goals they are supposed to achieve. It also means that the expectation gap between the employer and the employee is minimized as much as possible.

2.4.2.7 Training

Last, but not least, the training system that an organization develops can mean much or nothing at all to the employee. When an employer invests in an employee by giving them the opportunity to acquire more skills and more knowledge regarding their job, the employee feels the need to reciprocate this reward, because they feel valued and included in the firms goals (Malhotra, Budhwar and Prowse, 2007). It is an important management practice that can lead to higher productivity and profitability (Delery and Doty, 1996).

Based upon the above discussion, several research hypotheses may now be postulated.

- Hypothesis 1: All non monetary incentives are expected to be positively related to affective commitment
- Hypothesis 2: All non monetary incentives are expected to be positively related to normative commitment
- Hypothesis 3: All non monetary incentives are expected to be positively related to general organizational commitment
- Hypothesis 4: All non monetary incentives are expected to be positively related to job satisfaction

3. METHODOLOGY

3.1 Purpose

The purpose of this study was to investigate the possible relationships of each of the above mentioned incentives, extrinsic and intrinsic, with organizational commitment and job satisfaction as seen in Greek private organizations. The data were collected with the use of self-administered, anonymous questionnaires. This method was selected as a fast way to gather and analyze considerable amounts of information in a small period of time. Interviews could, also, have been used to the same effect, but answers would have been more time consuming to standardize and process.

3.2 Sample

The sample contained employees who worked in small, medium and large private firms of different types and fields of activity. It included firms from the entertainment sector, such as casinos and cinemas, from the banking sector, from the fields of education, of retail and wholesale trade, of manufacturing and from the service sector, such as accounting agencies and software developers. The questions were either paper or computer-presented. From the total of 180 questionnaires that were distributed, 144 were returned and useable, providing a response rate of 80 per cent.

3.3 Measures

The questionnaire consisted of 66 items linked to a Likert-type scale ranging from 1 to 5, 1 meaning “completely disagree”, 5 meaning “completely agree” and 3 representing a neutral response. It, also, included three questions concerning descriptive information

regarding gender, years in the particular organization and educational level. Of the people who responded 51.7 per cent were women and 47.6 per cent were men, 31 per cent had attended high school, 45.6 per cent had received higher education and 22.8 per cent had a post graduate degree. The average time of employment in the current firm was 9 years and 8 months and the minimum and maximum time of employment was 2.5 months and 30 years respectively.

3.3.1 Organizational Commitment

Organizational commitment was measured using the 17-item scale that was also used by Malhotra, Budhwar and Prowse (2007). This scale has, often, been proved to measure accurately and reliably the three-component model of organizational commitment that was originally proposed by Meyer, Allen and Smith (1993).

3.3.2 Job Satisfaction

For the measurement of job satisfaction a 5-item scale was used, as seen in the study of Appelbaum and Kamal (2001). Job satisfaction and organizational commitment constitute the dependent variables of this study.

3.3.3 Extrinsic Incentives

The 4-item scale that was used to measure team support was developed and used by Malhotra, Budhwar and Prowse (2007), as was also the 2-item scale used to measure working conditions. Job security was measured via a 3-item scale first seen in the study of Delery and Doty (1996). The measures for promotional opportunities were adopted

from the same study as well. The three questions used to measure flexible scheduling were used by Golden (2008) and the four items regarding supervision were used by Appelbaum and Kamal (2001).

3.3.4 Intrinsic Incentives

Four-item scales were borrowed from Appelbaum and Kamal (2001) in order to assess the variables of recognition and job diversity. Work importance was measured by a two-item scale from Manolopoulos's study (2008). The items regarding autonomy, participation in decision making and role clarity were all borrowed from Malhotra, Budhwar and Prowse (2007), whereas the items regarding training opportunities were first used by Delery and Doty (1996). The thirteen extrinsic and intrinsic incentives represent the independent variables of this study.

4. FINDINGS

Almost all variables were internally consistent as the reliability analysis showed. Cronbach's alpha scores ranged from 0.65 to 0.92 with the exception of "Advancement Opportunities" that scored very low (0.16) and with a 0.6 cut-off was dropped from further inclusion in the data analysis.

A factor analysis was then conducted to determine the dimensionality of the twelve motivational constructs. Table 1 presents the factors obtained, the variables and the mean score of each factor, and the factor loadings. Factor analysis was used with varimax rotation on the twelve incentives. Tests for appropriateness, including the Bartlett Test of Sphericity and the Kaiser-Meyer-Olkin (KMO) measure of sampling

adequacy, were then performed. These tests indicated that the factor analysis was an appropriate technique for motivational variables ($KMO = 0.81$).

Three factors were extracted, accounting for 58% of the variance in employee's motivation assessments. Supervision was considered a fourth factor as it was equally involved in the first and second factor (factor loadings = 0.571 and 0.544 respectively).

All factors were internally consistent and well defined by the variables with Cronbach alpha scores ranging from 0.76 to 0.89, with a 0.6 cut-off (Eisenhardt 1988, 510).

Scores represent significant factor loadings (i.e. above 0.5) of the twelve incentives on each of the four factors (Finkelstein 1992, 519–520). Apart from factor loadings for each single variable, the mean for each single factor (as the average score of the means of its constituent items) is illustrated in Table 1.

Table 1 Exploratory Factor Analysis

Factors and Incentives	HPW	Work Clarity	Job Variety	Supervision	Factor Means (SD)
Factor 1 High Performance Workplace (Cronbach's alpha = 0,88)					3.42 (0.71)
<i>Team Support</i>	0.744				
<i>Autonomy</i>	0.576				
<i>Participation in Decision Making</i>	0.535				
<i>Feedback</i>	0.636				
<i>Job Security</i>	0.547				
Factor 2 Work Clarity (Cronbach's alpha = 0,88)					3.43 (0.87)
<i>Role Clarity</i>	0.800				
<i>Working Conditions</i>	0.605				
<i>Training</i>	0.824				
Factor 3 Job Variety (Cronbach's alpha = 0,76)					3.04 (0.78)
<i>Flexible Schedule</i>	0.610				
<i>Skill Variety</i>	0.729				
<i>Work Importance</i>	0.741				
Factor 4 Supervision (Cronbach's alpha = 0,89)				0.571	3.89 (1.09)
<i>Supervision</i>					

The first of the factors is labeled “High Performance Workplace” (Cronbach’s $\alpha = 0.88$), as seen in Appelbaum et al. (2000), and includes the following variables: team support, autonomy, participation in decision making, feedback and job security. These represent a safe and supportive working environment where individuals are encouraged to take initiative and where information is distributed in an uninhibited manner. The respondents’ mean score 3.42 indicates that they believe their workplace to provide those features to some degree.

The second factor is labeled “Work Clarity” (Cronbach’s $\alpha = 0.88$) and includes incentives such as role clarity, working conditions and training. This factor shows that employees know what they are supposed to be doing and they are provided with both the knowledge (training) and the means (work conditions) to do so. Once again, the mean score 3.43 shows that the respondents describe their work as being rather clear but not to an extended degree.

The third factor is labeled “Job Variety” (Cronbach’s $\alpha = 0.76$) and consists of these variables: flexible scheduling, skill variety and work importance. It describes a job that is meaningful to the individual and provides flexibility in both the time and the skills necessary to perform it. We can say it describes a job that is interesting instead of boring and repetitive. The mean score is 3.04, which shows that the particular respondents see their jobs as neither lacking nor fully providing these motivators.

The fourth factor “Supervision” (Cronbach’s $\alpha = 0.89$) contains the same titled variable only. It shows how content employees are with their supervisors’ behaviour. In this case, the respondents’ mean score is 3.89 which means that they are relatively content with their managers.

Linear regression analysis was instrumental in examining the hypothesized relationships between the different sets of predictors and job attitudes. More specifically, hierarchical regression procedure was used in order to determine the incremental effect of the motivating factors on the different types of commitment and job satisfaction. There is a separate regression equation for each of the four dependent variables: affective commitment, normative commitment, total commitment and job satisfaction. The control variables were entered first and the four factors were then entered in separate blocks.

To estimate the direct effects of each single control and independent variable on the dependent variables, the standardized regression coefficients were used in the statistical analysis, often called β weights. These standardized coefficients allow for direct comparison of the relative strengths of relationships between predictors and dependent variables. Table 2 summarizes the results, providing beta values and significance levels for the single variables. The total explained variance, R^2 , is illustrated for each of the four equations at the bottom of Table 2.

Table 2 Regressing job attitudes on personal characteristics and motivational factors

	Affective Commitment		Normative Commitment		Total Commitment		Job Satisfaction	
	Beta	Sign.	Beta	Sign.	Beta	Sign.	Beta	Sign.
Employment Time	0.027	0.685	-0.005	0.944	0.038	0.547	-0.090	0.159
Graduates	-0.185	0.006	-0.144	0.033	-0.205	0.002	-0.108	0.097
HPW	0.286	0.001	0.161	0.069	0.221	0.010	0.173	0.043
Work Clarity	0.212	0.011	0.066	0.430	0.185	0.022	-0.024	0.762
Job Variety	0.180	0.009	0.302	0.000	0.272	0.000	0.423	0.000
Supervision	0.217	0.015	0.362	0.000	0.257	0.003	0.327	0.000
R^2	0.467		0.459		0.498		0.475	

The regression analysis suggests that characteristics such as the level of education and the time an employee has worked for the current employer played different roles on job attitudes. Time worked in the current organization did not have any significant impact

on any of the dependent variables. The level of education, on the other hand, had a small, but significant, negative influence on affective commitment ($\beta = -0.185$, $p < 0.01$) and on normative commitment ($\beta = -0.144$, $p < 0.05$) and a slightly larger, but also significant, negative influence on general commitment ($\beta = -0.205$, $p < 0.01$). It did not have a significant influence on job satisfaction. It seems that individuals that have continued their education past high school are less committed to their organizations, perhaps due to their higher expectations, that are a result of the time and effort invested from their part in order to become more employable.

The regression analysis showed that 46.7% of the variance in affective commitment is explained by the four motivational factors and the level of education. More specifically, the first factor, labeled “High Performance Workplace” seems to have the strongest positive effect on affective commitment ($\beta = 0.286$, $p < 0.01$), followed by “Supervision” ($\beta = 0.217$, $p < 0.05$) and “Work Clarity” ($\beta = 0.212$, $p < 0.05$). The third factor, named “Job Variety”, had a smaller, but significant, positive influence on the particular dependent variable ($\beta = 0.180$, $p < 0.01$). As expected, all motivational factors are significant and almost equal predictors for this type of organizational commitment. It seems that firms that seek to have an invested and emotionally involved workforce that wants to stay in them can achieve this by providing a working environment that encompasses the essence of these groups of incentives.

As far as normative commitment is concerned, 45.9% in the variance in is explained by these sets of predictors. In this case, supervision is proved to be the greatest predictor ($\beta = 0.362$, $p < 0.001$). The second most influential factor, not by far, is flexibility and variety ($\beta = 0.302$, $p < 0.001$) and a high performance workplace appears to be

marginally influential ($\beta = 0.161$, $p < 0.10$). Somewhat surprisingly, work clarity did not have any effect at all on normative commitment.

The analysis, also, suggests that almost half the amount of variance (49.8%) in general commitment is explained by these four groups of incentives. The third set of predictors, job variety, had the largest positive impact on organizational commitment ($\beta = 0.272$, $p < 0.001$). Supervision had a relatively high positive influence as well ($\beta = 0.257$, $p < 0.01$), followed by the first incentive group ($\beta = 0.221$, $p < 0.05$). A smaller but significant effect was that of work clarity ($\beta = 0.185$, $p < 0.05$). All in all, it seems safe to claim that total organizational commitment, (as the average score of the means of the three types of commitment) is affected roughly in the same degree by the whole cluster of incentives, a finding that is not very surprising, considering the all-encompassing nature of this variable.

Almost half the amount of variance in job satisfaction (49.3%) is again explained by the model of the four factors, only this time the weights of each particular factor vary considerably. Job variety emerges as the most important factor by far ($\beta = 0.423$, $p < 0.001$). Job satisfaction appears to be also significantly influenced by the quality of supervision ($\beta = 0.327$, $p < 0.001$) and to a smaller extent by a safe and supportive working environment ($\beta = 0.173$, $p < 0.05$). Once again, work clarity does not seem to exert any influence on how satisfied an employee is with their job.

So, to summarize, all four of the dependent variables are explained to an important degree by the combination of the twelve incentives, although differences in the importance of each factor to each job attitude, as is expected, occurred. The factor named High Performance Workplace had significant impact on all dependent variables,

but mostly on affective commitment. Work clarity only influenced affective and general commitment, whereas job variety was an important predictor for affective, normative and general commitment, but most of all for job satisfaction. Finally, supervision had a significantly high impact on all four dependent variables and especially on normative commitment and job satisfaction. In conclusion, hypotheses 1 and 3 were supported by the findings, and hypotheses 2 and 4 were supported in their biggest parts.

5. DISCUSSION

This exploratory study, surveying 144 working individuals, attempted to measure and to model the non monetary aspects of a work environment that can serve as motivators for the work force and their impact on enhancing useful job attitudes, such as organizational commitment and job satisfaction. Factor analysis led to four types of motivators: a high performance workplace that is characterized by support, autonomy, feedback, participation and security, clarity concerning what and how work should be done, flexibility in time management and in the different skills necessary to perform and quality in supervision. The main findings indicated that respondents described their workplaces as providing these motivators, but to a limited degree. The four different factors influenced the four dependent variables, affective, normative and general organizational commitment and job satisfaction, in different patterns, which proves once more that they represent separate theoretical constructs.

A series of hierarchical regression analyses was conducted to assess the relative impact of various sets of determinants on job attitudes. Every one of the four factors was found to have an almost equal, significant positive impact on affective commitment, believed by many researchers to be the most important aspect of organizational commitment and certainly the most researched one. It seems that the presence of these motivators

provokes an emotional attachment from part of the employee towards the organization and enhances their will to stay. This is not hard to believe, as an organization that cares enough to create such an inspiring working environment makes its employees feel appreciated and, thus, they respond with a positive approach and increased dedication. Hence, the findings support the first hypothesis.

Normative commitment, as mentioned earlier, is connected to the sense of obligation employees have to their respective organizations to reciprocate for having been treated well, by not leaving. They stay in their firms because they feel they have to stay and because they would feel guilty if they left. It is no surprise then, that results showed supervision to be the strongest predictor for this kind of commitment. Supervisors constitute the human representation of an organization and it is much easier to develop a relationship with and, therefore, a sense of obligation to another person than to a vague idea that is the organization. When employees are happy with their managers' behaviour they transfer, perhaps, this appreciation to the whole of the company. Another important predictor for normative commitment was the factor combining flexible schedules, skill variety and work importance, possibly because employees feel that it is not easy for the organization to provide these, making them all the more valued. The same, perhaps should have been the case for the high performance workplace factor, but, interestingly, does not seem to be as important as the previous two factors. This factor is marginally significant in shaping normative commitment. Even less significant was work clarity for this particular job attitude. Having a clear job description, good working conditions and sufficient training does not seem to provoke feelings of obligation to one's employer. Maybe these elements are considered to be prerequisites if an employee is expected to perform their job properly and are, thus, not seen as an extra something the employer goes out of their way to provide. The second hypothesis is only partially supported.

General organizational commitment, as the average score of the means of the three aspects of commitment, was positively influenced by all four motivational factors. It was expected that all factors that influence affective and normative commitment should also affect this more inclusive type of commitment. Therefore, organizations can be staffed with dedicated employees as long as they make an effort to create a motivating organizational culture. The third hypothesis is also supported by the findings.

On the other hand, job satisfaction was not related positively to all sets of incentives. It was particularly linked to job variety which is a factor that characterizes the substance of the job itself. Participants seem to appreciate a job that is meaningful and challenging. Another thing that respondents value is a good supervisor. Supervision is highly related to job satisfaction and, in fact, is the only factor that has repeatedly emerged as an important predictor for all of the dependent variables. This shows that employees have a need for leader figures, for managers who inspire trust, respect and display professionalism. A high performance workplace is also suggested to be a significant predictor for job satisfaction, although not as important as the previous two. Finally, job satisfaction does not seem to be related to how clear job descriptions are, to how well-trained employees are or to how adequate the working conditions are, which are the items that compose the factor of work clarity. The fourth hypothesis is, thus, partially supported by the findings.

Another variable that had a significant impact on the three measured types of organizational commitment was the educational level of the employees who took part in the survey. In fact, these two variables are negatively linked. This means that the higher the level of education an individual has received the less likely they are to display attitudes of devotion. An explanation for this occurrence is that more educated

employees come to expect more from their employer than do employees that are just high school graduates and when their expectations are not entirely met they have more reasons to be disappointed. They are entitled to expect more because they have more to offer as a result of their studies and years of training. The educational level did not have an important impact on job satisfaction. The time an employee has worked for their current firm was not an important factor in determining organizational commitment or job satisfaction.

Overall, every one of the factors that were suggested by the factor analysis was a significant predictor for at least two of the dependent variables. Supervision was an especially strong predictor for all job attitudes. The factor describing a high performance workplace and the factor for job variety were also significant for all job attitudes, but more for some than for others. Work clarity was only related to affective and general organizational commitment.

Incentives like the ones described in this study seem to account for almost half the variance in affective, normative and general commitment and job satisfaction, not a trivial percentage. The remaining amount of variance that cannot be explained by these, can, perhaps, be explained by other factors, such as monetary incentives, like compensation and benefits, and temperamental qualities.

6. CONCLUSION

6.1 Implications of the study

The purpose of this study was to identify which non-monetary incentives can be considered antecedents of the development of the two main job attitudes, job

satisfaction and organizational commitment, and its constituents, affective and normative commitment. The incentives under examination were grouped into four factors with the help of factor analysis. Regression analysis showed that the factors were significantly and positively linked to at least two of the dependent variables, while most of them were linked to all variables.

These particular job attitudes were chosen because research has indicated that they themselves are predictors for some very important organizational measures, such as turnover and performance. Therefore, by finding a way to enhance these job attitudes organizations can indirectly influence these measures and increase their competitiveness and their earnings. This study has shown that maintaining a satisfied and committed workforce does not necessarily mean high expenditures for the organization. It can be achieved, at least in part, by developing non-monetary incentives. It is up to each organization to create and follow the appropriate human resources practices that will embody the non-monetary incentive that enhances each job attitude, and, at the same time, will support the strategy of the specific organization.

Supervision, for example, emerged as one of the most important indicators of every one of the job attitudes. This has the following implications for a firm that wishes to have a dedicated and content employee base and these are the HR practices that it can control to achieve this wish. It seems obvious that a lot of it has to do with the person to whom the company chooses to assign supervising duties. The selection process, then, should be constructed in a way that it is ensured that only the right people with the necessary leadership skills will become supervisors. Additionally, supervisors could receive

proper training in order to learn how to handle their subordinates better. These are just some of the practices a company can apply in order to have better supervisors.

The other factor that played an important role as a predictor for both organizational commitment and job satisfaction was job variety, meaning a job that requires different sets of skills, is meaningful and has a flexible schedule. This has to do with job design. As long as it serves the specific type of company and its procedures, a job can be redesigned so as to be more challenging and tied to a meaningful, for the employee, outcome. Also, it can be examined whether a person can do this job in a time that is more suitable for them or if it has to be done at a specific time and place.

Corresponding HR practices can also, be developed to build a high performance workplace, which was another one of the sets of non-monetary incentives that were formed. In this case, employees could work in teams and be assigned projects for which they would be responsible for deciding how to proceed and, eventually, realize. Constructive ways of giving feedback could also be developed and, taking into account that job safety is important for employees, employees could be assured that as long as they do their jobs well, their positions will be guaranteed.

In addition to the above, work clarity as a factor, was found to be positively and significantly linked to affective commitment and, consequently, to general organizational commitment. However, it was not linked to normative commitment and job satisfaction. Work clarity includes role clarity, adequate training and good working conditions. A firm that desires to enhance this type of motivation could form clear job

descriptions for every position, so that it is known to each employee what exactly their job entails and what is expected of them. Furthermore, training programs adapted to the needs of each jobholder could be provided so that they are up to date and ready to perform more efficiently. Of course, a healthy working environment, equipped with the necessary items is always essential.

Apart from these non-monetary incentives that apparently, represent almost half the variance of these job attitudes, a future study could examine the influence of a combination of monetary, non-monetary incentives and personal attributes on these attitudes to discover whether all the antecedents of organizational commitment and job satisfaction can be uncovered. It would, also, be interesting to find out whether these findings can be repeated in a larger scale and perhaps in the public sector, as this study was limited to employees of Greek private firms. An interesting finding was the negative link between educational level and organizational commitment. This needs, perhaps, to be more thoroughly investigated to see if it was an accidental occurrence or if it holds true in other circumstances as well.

6.2 Limitations of the study

The results of this study should be analyzed keeping in mind its main limitations, such as the size of the sample. In this investigation, the size and the geographical coverage of the sample on which the results were based are relatively small, so conclusions must be drawn with caution. The sample was restricted to employees in small, medium and large private firms located in the city of Thessaloniki. Further research surveying more working people across the whole country would lead to findings that are more reliable.

On the plus side, the size and the field of activity of the different firms varied considerably. In the study took part employees from at least ten different sectors of the business spectrum. This fact helps generalize the findings to more occupational categories.

Other limitations were the restrictions stemming from the type of the data gathering method, which in this case was questionnaire-based. All variables were assessed using self-report measures, which could lead to the possibility of shared response bias with regard to the relations among variables and common method variance. In the future it would be useful to incorporate reports by supervisors and draw comparisons. A combination of interviews and self-report methods could, perhaps, also be used to obtain greater validity and more in depth information.

Nevertheless, within these limitations the study contributes to the areas of organizational commitment, job satisfaction, non-monetary incentives and private firms. Management can utilize these findings to further develop their human resources management systems to improve motivation, satisfaction and retention of their employees.

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