Master Thesis
Spring Semester 2007
Supervisor: Nils Wåhlin

Authors:  Tuğba Öztoprak
          Richard Lundmark

Reward & Recognition Strategies
- A case study of GE Healthcare in Umeå
Acknowledgements

We would like to first of all thank the respondents of GE Healthcare that took time to answer our questions, and were most forthcoming. We would also like to thank our supervisor Nils Wåhlin for all his helpful advice and guidance. Our thanks also go to our initial supervisor Helena Renström.

We would also like to extend our gratitude to our friends and family for their continuous support and patience throughout our thesis process.

Sincerely,
Tugba Öztoprak & Richard Lundmark
Umeå, April 2, 2007
ABSTRACT

In a world characterized by increased global competition, and a rapidly changing business environment, companies and organization are forced to continuously reevaluate how they work. Since the first systematic studies of manual labor began during the last century, the focus have changed from a strict control of employees toward looser organizations, increased globalization, and the emergence of HRM-Human Resource Management during the 80’s. Research shows that employee compensation can account for as much as 70-80 percent of companies cost, but also show that the value of a company’s human capital can significantly affect the market value of the company. Studies also show that managers see non-monetary reward and recognition systems as very effective in reaching eight out of ten organizational objectives.

Another problem facing international companies is establishing themselves in cultures vastly different from their own, in regards to organizational as well as national cultures being different. A company that has been highly regarded and are among the most valued companies in the world is General Electric, which established themselves in Sweden and Umeå when Amersham became GE Healthcare n 2004.

This background led us to our problem formulation:
How does GE Healthcare in Umeå use Reward and Recognition strategies and how do their co-workers perceive these strategies with a focus on motivation and job satisfaction?

And our purpose:
We want to examine potential gaps between evidence and practice on Reward and Recognition Strategies. Furthermore we want to develop and understanding of how co-workers perceive these strategies.

We have chosen to use a case study to examine GE Healthcare Umeå, and we have interviewed twelve respondents, both managers, white-collar and blue-collar workers. We are using a hermeneutic stance, and our interviews are semi-structured and qualitative in approach. Furthermore we are using an abductive research process in performing our case study. We have chosen to use a theoretical framework based on soft and hard HRM, reward and recognition strategies, and motivation and job satisfaction. We found that GE is highly focused on individual reward and recognition systems, but that they have to some extent adapted to the Swedish collective working culture. GE Healthcare is still in a transition phase in Umeå, and we found that there are some dissatisfaction primarily amongst blue-collar workers with the new organizational structure and culture. Feedback and communication was seen as the most important factor in affecting motivation and job satisfaction, and this was seen as lacking, especially amongst blue-collar workers. We think that this will most likely change over time, as GE’s Session C and EMS systems are implemented throughout the organization and the communication has been further developed. Taking into consideration the loss of perspectives that our anonymity entails and the interest of the topic as such, we think that it would be interesting to conduct a more extensive study of GE Healthcare, two to three years from now.
# TABLE OF CONTENTS

1. INTRODUCTION
   1.1 PROBLEM BACKGROUND
   1.2 PROBLEM
   1.3 PURPOSE
   1.4 DISPOSITION

2. THEORETICAL METHODOLOGY
   2.1 PRECONCEPTIONS
   2.2 BACKGROUND OF AUTHORS
   2.3 CHOICE OF SUBJECT
   2.4 RESEARCH PERSPECTIVE
   2.5 RESEARCH PHILOSOPHY
   2.6 SCIENTIFIC APPROACH
   2.7 RESEARCH METHOD AND PURPOSE
   2.8 PRIMARY AND SECONDARY SOURCES

3. THEORETICAL FRAMEWORK
   3.1 HRM – HUMAN RESOURCE MANAGEMENT
      3.1.1 HRM versus personnel management
      3.1.2 HR partner perspective
      3.1.3 HR IT-systems
   3.2 SOFT VERSUS HARD HRM
      3.2.1 Soft HRM
      3.2.2 Hard HRM
   3.3 ORGANIZATIONAL CULTURE AND RESTRUCTURE
      3.3.1 Collectivistic and individualistic society
      3.3.2 Individualism and collectivism in the workplace
      3.3.3 Power distance
      3.3.4 Organizational Structure
      3.3.5 Organizational restructure and job satisfaction
   3.4 REWARD AND RECOGNITION STRATEGIES
      3.4.1 Performance management
      3.4.2 Base salary
      3.4.3 Increases in pay
      3.4.4 Promotions and performance rating
      3.4.5 Bonus and other incentive programs
      3.4.6 Special recognition
      3.4.7 Employee Benefits and Services
      3.4.8 Feedback and communication
      3.4.9 Reward and recognition strategies in teams
   3.5 MOTIVATION AND JOB SATISFACTION
      3.5.1 Motivation and hygiene factors
      3.5.2 Agent/Event factors
      3.5.3 Values and attitudes
      3.5.4 Stress and job tasks
      3.5.5 Contingency Theory
   3.6 CONCLUDING THEORETICAL MODEL
4. PRACTICAL METHODOLOGY

4.1 SURVEY DESIGN
4.2 SELECTION PROCESS
4.3 DATA COLLECTION AND PROCESSING
4.4 INTERVIEWER BIAS
4.5 SOURCE CRITICS

5. EMPIRICAL STUDY

5.1 PRESENTATION OF GENERAL ELECTRIC
5.1.1 GE Healthcare
5.1.2 GE Healthcare Umeå
5.2 GE HR-MANAGEMENT
5.2.1 GE Raise Track and Session C
5.2.2 GE Leadership bands
5.3 RESPONDENT PRESENTATION
5.4 EMPIRICAL PRESENTATION
5.4.1 HRM
5.4.2 Organizational culture and change
5.4.3 Reward and recognition strategies
5.4.4 Motivation and Job Satisfaction

6. ANALYSIS

6.1 HRM – HUMAN RESOURCE MANAGEMENT
6.1.1 HRM versus Personnel Management
6.1.2 HR partner perspective and HR IT-systems
6.1.3 Soft versus Hard HRM
6.2 ORGANIZATIONAL CULTURE & RESTRUCTURE
6.3 REWARD AND RECOGNITIONS STRATEGIES
6.3.1 Performance management and base salary
6.3.2 Promotions and performance rating
6.3.3 Bonus and other incentive programs
6.3.4 Special recognition
6.3.5 Employee Benefits and Services
6.3.6 Feedback and communication
6.3.7 Reward and recognition strategies in teams
6.4 MOTIVATION AND JOB SATISFACTION
6.4.1 Values and attitudes
6.4.2 Stress and job tasks
6.4.3 Contingency Theory

7. CONCLUSIONS AND DISCUSSION

7.1 SUGGESTIONS FOR FUTURE RESEARCH

8. TRUTH CRITERIA

REFERENCE LIST
APPENDICES

Appendix 1 – Interview Guide Managers
Appendix 2 – Interview Guide Co-workers

FIGURES

Figure 1 – Thesis Workflow ...................................................................................................8
Figure 2 - Theoretical Workflow ..........................................................................................16
Figure 3 - Hard versus soft HRM approaches.........................................................................18
Figure 4 - The human resource system..................................................................................19
Figure 5 - Determinants and consequences of HRM policies .................................................20
Figure 6 - Policies for identifying human resource and organizational outcomes ...............20
Figure 7 - Strategic management and environmental pressures .........................................21
Figure 8 - The human resource cycle ....................................................................................22
Figure 9 - Measuring performance and Key-Performance Indicators ....................................29
Figure 10 - Concluding theoretical model .............................................................................34
Figure 11 – Motivation & jobsatisfaction vs. organizational change ......................................65
Figure 12 – Motivation & jobsatisfaction vs. feedback and communication .......................65
Figure 13 – Motivation & job satisfaction vs. Career, development and job tasks ..............66
1. INTRODUCTION

This chapter will serve as an introduction to the subject of our thesis, and here we will also present the problem and purpose of our study. In this chapter we will also present the limitations, provide the reader with a brief terminology, and present the disposition of the thesis.

1.1 Problem background

Increased global competition, new knowledge and a rapidly changing business environment forces companies and organizations to constantly evaluate and re-evaluate how they work. Many times organizations may drastically change their method of operations, which puts great focus on the HR-strategies and operations of an organization. Companies often claim that their employees, or human capital, are their most important asset. 1 In the new millennia, issues such as the meaning of life and self-identity, environmental change and the role of work in ones life are all central topics of discussion. Work motivation as an area of psychology has always been focused on a positive approach, efforts to humanize the workplace, and looking for ways to help people satisfy their need for self-worth and well-being in the context of their work. 2

The first systematic studies of work and manual labor began in the last century with the emergence of Taylorism, and are still evident today through extensive systems and strategies for which to control work environment and improve performance. Much of these ideologies and systems are still in use today, and have also affected payment and reward systems based on the belief that the biggest motivation and incentive for working better and harder is the wish to earn more money. 3 Taylorism have become a word filled with negative connotations in Swedish work-life. It has been described as a horrifying work-philosophy, very rigid, hierarchical, top-down and with a view of the employee as a programmable machine, something that does not go over well in Swedish collective work-culture. 4 The national culture, as well as beliefs and values associated with this culture, are also significant factors that affect the attitudes of employees anywhere in the world, and must be taken into consideration. 5

During the 80’s decentralization processes started to emerge, and the concept of HRM – Human Resource Management was a strong influence in these processes. The most prominent trend in HRM was decentralization, customer-orientation and the aspiration to maximize the contribution of the individual. 6 This change has been labeled post-Fordism, and entails minimizing bureaucracy as well as an organizational delayering and decentralization. For HRM, this meant shifting focus from compliance and a hierarchical structure towards teamwork, empowerment and employee commitment. In Scandinavia with the traditionally strong labor unions, and governmental support, the situation was somewhat different. 7

---

1 Lawler E, Creating a strategic human resources organization, p.1
2 Erez, Kleinbeck, Thiery, Work Motivation in the Context of a Globalizing Economy, p.1
3 Thorpe R, Homan G, Strategic Reward Systems, p.19 Foreword
4 Ibid, p.91
5 Romero J, Kleiner B H, Global trends in motivating employees, p.14
6 Thorpe R, Homan G, p.109
In Sweden, several management trends emerged during the 90’s, one of them was the T50-programme. The focus shifted from productivity towards loose organizational structures adaptable to constant change. Significant for all these trends where that someone other than the employees themselves shapes the role of the employee. The ideal co-worker should be a self-sacrificing individual that submits him or her self to the demands of effectiveness, customer focus and change.8 The T50 program was a renewal effort instigated by ABB (Asea Brown Boveri) and was focused on reducing the cycle times in production by half.9 The popularity of the T50-spirit is often accredited for the growing problems with stress, burnouts and work-overloads in Swedish work-society.10 Modern organizational culture, with its focus on promoting individual performance can unquestionably clash with the focus on teamwork and quality circles that is linked with collectivistic working cultures.11

Monetary and non-monetary compensation can account for a vast amount of a companies cost, in service organizations for as much as 70-80 percent. But even for those companies that do not have large costs associated with HR, they must still consider that HR-strategies can have a significant impact on the performance of the organization, and the value of companies’ human capital can be related to a large part of a company’s market value.12 A study conducted by The Forum has also shown that most managers find non-monetary reward and recognition systems to be more effective in obtaining eight out of ten organizational objectives, some of which included reinforcing organizational values, improving teamwork, motivating specific behavior, creating positive internal communication and more, whilst monetary compensation systems only accounted for raising sales and improving customer acquisition based on bonuses.13 Non-monetary rewards are also seen as being more effective boosting employee productivity in the long run and increasing retention rates, which is of key importance in the increasing competition and war for talent on the marketplace.14

Feedback is also a central issue discussed in HR-management, as studies has shown that regular feedback on performance supports the development of desired behaviors and attitudes aligned with the organizational goals, and can boost the efforts of the employee.15 From a physiological perspective, feedback, reward and recognition makes employees feel better due to triggering the release of feel-good chemicals such as dopamine in the brain. In today’s business world, people often have to work long-term to realize their goals and ambitions, but in the short-run, the pay-off can still be dopamine. Being recognized for a job well done, releases dopamine within the brain that triggers feelings of pleasure and pride. It also helps reinforce the knowledge that more of the behaviors that have led to the recognition will result in more praise and thus more dopamine. On the contrary, if people do not received enough recognition or praise, they tend to ask themselves “Why am I doing this? Nobody cares” and this may lead to decreased employee retention rates.16

8 Edgar F, Geare A, Employee voice on human resource management, p.363
9 Hart H, Berger A, Using Time to Generate Corporate Renewal, Abstract.
10 Tengblad S, Den myndige arbetaren, p.87
11 Edgar F, Geare A, p.363
12 Lawler E, p.1
13 Author undisclosed, For Most Goals, Cash Is Not the Best Motivator, p.37
14 Huff C, Recognition That Resonates, p.1
15 Jawahar I M, Correlates of Satisfaction with Performance Appraisal Feedback, p.213
16 Robinson J, In Praise of Praising Your Employees, p.1
The problem of rewards is thus always a hard balancing act, where a company finds it difficult to please everyone. The company or organization is always at risk of alienating, or making their employees feel anger or confusion. If companies’ reward systems are based on seniority or they give all employees the same salary increases regardless of performance, they risk turning their rewards and compensation into entitlements. This means that low-performing employees would be overcompensated, while top-performing employees might start looking elsewhere for a company that better reward them for their talent.\(^{17}\)

The HRM policies an organization utilizes can significantly affect the attitudes amongst employees. Studies have shown that where employees view the HRM system as being fair, they are more likely to have positive attitudes about the organization, while the reverse is true if they feel that the system is unfair, thus creating confusion and reduced commitment.\(^{18}\) The commitment and satisfaction of employees is instrumental to organizational success and HRM. Guest (1999) states

“Only by winning the commitment of employees is it possible to achieve corporate goals”.\(^{19}\)

Reward and Recognition strategies and the correct implementation of these are very important. A research about pay plans by Hay Research showed that companies that have a successful pay plan have 34 percent higher performance, 30 percent higher trust, 28 percent more encouragement to take initiatives and 18 percent higher pressure for performance than the companies with unsuccessful plans.\(^{20}\)

One company that is renowned for their management, leadership and HR-strategies is General Electric, which has been among the most respected companies in the world for decades, and is the only original member of the Dow Jones Index.\(^ {21}\) As one of the oldest, and highest valued companies in the world,\(^ {22}\) we believe that studying GE to gain a deeper understanding of how a company works with reward and recognition could be very beneficial.

In connection to the transition from Amersham Bioscience to General Electric Healthcare in Sweden, and Umeå, management at the workplace could also have faced many of above-mentioned problems. Cultural differences between USA and Sweden as far as organizational and management systems are concerned, organizational change and an adaptation of a individually based reward and recognition system in a traditionally collectivistic culture such as Sweden, can all be challenges that the organization and HR-management have to overcome.

Numerous studies have been made, and several books written on GE’s leadership and management strategies with a focus on becoming a growth leader. But from what we can tell there is a lack of research in the area of reward and recognition, and especially in relation to the special circumstances of an organizational transition in a different culture.

\(^{17}\) Kerr S, \textit{General Electric makes its reward system pay}, p.279
\(^{18}\) Edgar F, Geare A, \textit{HRM practice and employee attitudes: different measures – different results}, p.537
\(^{19}\) Edgar F, Geare A, \textit{Employee voice on human resource management}, p.362
\(^{20}\) Ibid. p.329
\(^{22}\) http://en.wikipedia.org/wiki/GE
1.2 Problem
How does GE Healthcare in Umeå use Reward and Recognition strategies and how do their co-workers perceive these strategies with a focus on motivation and job satisfaction?

1.3 Purpose
We want to examine potential gaps between evidence and practice on Reward and Recognition Strategies. Furthermore we want to develop an understanding of how co-workers perceive these strategies.

1.4 Disposition

Chapter 1 - Introduction
This chapter has served as an introduction to the subject of our study, and here we have also presented the problem and purpose of our study. In this chapter we have also presented the limitations, provided the reader with a brief terminology, and presented the disposition of the thesis.

Chapter 2 – Theoretical Methodology
In this chapter we will describe and motivate the methodological approach that we have taken, and how this relates to our thesis. We also present the reader with a graphical description of the workflow of our thesis.

Chapter 3 – Theoretical Framework
In this chapter, we will present our theoretical framework, which we will later use as the basis for our analysis of the empirical data collected. We have chosen to focus our theoretical framework on theories related to reward and recognition, motivation and job satisfaction. We have also chosen to include theories on organizational culture and change, since we feel that this is relevant to our problem formulation, which entails an American organization and organizational culture being implemented in northern Sweden.

Chapter 4 – Practical Methodology
In this chapter, we will present our research process, how we made preparations and how the collection of the empirical data was conducted.

Chapter 5 – Empirical Presentation
In this chapter we will present the findings of our empirical study. These are presented in the form of interview transcriptions for each respondent, structurally aligned with the flow of our theoretical framework. We have also chosen to present General Electric as a company, and their HR-strategies relating to reward and recognition.

Chapter 6 – Analysis
In this chapter we will analyze our empirical data and connect the results to our theoretical framework. The analysis follows the same flow as our theoretical framework.

Chapter 7 – Conclusions and discussion
In this chapter, we will present our conclusions, with discussions and personal reflections of this study, connected to our research problem and purpose.
2. THEORETICAL METHODOLOGY

In this chapter we will describe and motivate the methodological approach that we have taken, and how this relates to our thesis. Below is a graphical description of the workflow of our thesis.

Problem: How does GE Healthcare in Umeå use Reward and Recognition strategies and how do their co-workers perceive these strategies with focus on job satisfaction and motivation?

![Thesis Workflow Diagram]

Figure 1 – Thesis Workflow

---

23 Author’s own model
2.1 Preconceptions

According to positivistic and academic research based on the natural sciences, it is important that the researcher stays as objective as possible. But this is often hard because it is not easy to detect one's own preconceptions, prejudices and assumptions. There is nothing wrong with allowing your own ideas to come through or expressing your own opinions, but it is important that the researcher clearly points out what is his or her personal thoughts and interpretations.\(^{24}\) We all have certain prejudices, values and preconceptions that are based in the social environment in which we live. In the research process we will encounter other such preconceptions in our interview subjects for example. In this case, we as researchers must be able to critically view and judge our own preconceptions and how they affect us.\(^{25}\) Gouldner (1976) stated that complete value-freedom is not possible. He was rather of the opinion that the values of the researcher should be made as explicit as possible.\(^{26}\)

One can say that we do not only interpret the world around us through our senses. What might at a first glance appear to be pure sensory experiences are in fact laden with a large portion of preconceptions and interpretation. Our preconceptions are influenced by our values and experiences, and we have been brought up to view the world in a certain way. Cultural, family and personal values, all strongly affect our preconceptions. There is also an interaction between our preconceptions and our experiences, where our assumptions and prejudice are gradually developed into true understanding through experience.\(^{27}\) Thus it impossible to be completely objective in research or in every day life, and in some instances, such as in hermeneutic sciences, it might not be desirable to be completely objective as the subjective opinion of the researcher can add valuable depth to such an analysis.\(^{28}\) There is in the end a constant reciprocal action between understanding and experiences.

For the specifics of this thesis, our theoretical preconceptions are naturally based on the knowledge that we have acquired through our years as business students, and that has helped to give us a theoretical foundation for understanding the complexity of modern HR-management. But even more importantly, through our practical work experiences as in leadership, consulting and business, we have learned to adapt and see how this theoretical knowledge is applied in real life. The preconceptions of HR-management we had going into this work, were largely based on this theoretical knowledge, but also on our respective personal experiences in the field.

Perhaps the number one preconception and experience we had about reward and recognition strategies and how they affect job satisfaction going into this thesis, was that monetary rewards is not enough to create sustainable job satisfaction and motivation. But we have also learned that the cultural context, and corporate culture within which these systems should work, heavily influences the balance between monetary and non-monetary rewards, job satisfaction and motivational factors. Also, having experienced HR-management within the context of certain cultures and certain distinct organization may have also shifted our view of what is expected as a best case practice when it comes to reward and recognition in real life situations.

\(^{24}\) Ejvegård R, Vetenskaplig Metod, p.19  
\(^{25}\) Bryman A, Samhällsvetenskapliga metoder, p.97  
\(^{26}\) Kreuger L W, Neuman W L, Social Work Research Methods, p.126  
\(^{27}\) Thurén T, Vetenskapsteori för nybörjare, p.59-60  
\(^{28}\) Magne H I, Krohn S B, Forskningsmetodik, om kvalitativa och kvantitativa metoder, p.95
However, having the intercultural work experience that we do, we also feel has helped us broaden our horizons of HR-processes in general and become more open to different perspectives. We accept and recognize that we do have certain preconceptions and subjectivity, but with the practical, theoretical and cultural knowledge we have gathered, we feel that although we cannot eliminate subjectivity we can at least minimize it.

2.2 Background of authors

Tugba is a master’s student in the International Business and Economics Program at Umeå School of Business, Sweden. She has worked in many fields during her studies. Amongst other things she has been responsible for purchases and a team leader for her workgroup in the local student pub and has also worked as a language teacher. Tugba has also been an exchange student in USA and Germany within the International Business Economics Program, and she has worked as an intern in the Copenhagen office for the German consulting company Klausmeier Marketing Consultants. She is currently studying at the masters program in International Business Management. Her studies, both in Sweden, and internationally, as well as her practical leadership experience has made her aware of the importance of reward and recognition as a part of HR-management strategies. Tugba’s experiences as an intern has also given her a more hands-on experience of how companies works with HR-management, and have deepened and concretized her theoretical knowledge.

Richard is also a student at the International Business and Economics Program at Umeå School of Business, Sweden where he also studies the masters program in Business Management. Besides his theoretical studies, Richard has a lot of work-life experience apart from his studies. He has worked in the production industry, as a high-school music teacher, and private guitar and music teacher, and also within the healthcare. Richard also holds the position of Vice President in the Umeå chapter of AIESEC, the world’s largest student organization, where he is responsible for Talent Management, recruitment, HR-strategies and Leadership Development. Richard also did an internship in Japan for Hitachi Ltd, in the HR-management Headquarters, where he worked extensively with HR-management issues such as Diversity Management and Leadership Development. His experience in teaching, management and leadership development, has given him a practical insight into the complexities associated with working in HR-management, and this has also helped him to concretize and deepen his theoretical knowledge.

As both of us have a lot of experience, both as students and outside of our studies, we feel that this can add depth and width to our analysis. Our international and intercultural experiences have made us aware of the vast differences that can exist in HR-management and how they are affected by several different contexts, such as cultural, national and organizational. We also feel that thanks to our practical experience, we can more easily relate to the working conditions and processes of our selected case company.

---

29 www.kmconsultants.com
30 www.aiesec.net
31 www.hitachi.com
2.3 Choice of subject
Since we are both students at the masters program for business management, writing our masters thesis in the field of HR-management thus felt like a very natural choice for us. With our extensive practical experience in the field of management and the insight this has given us into the HR-practices in organizations and companies, we also feel that the issue of Reward and Recognition is of key importance in building sustainable management systems. In the high-paced modern working environment where many people live today, stress, burn-out and job-satisfaction issues are a constant reminder of the need to have good HR-systems in place in order to track employees health and attitudes towards work.

We also believe that reward and recognition can go a long way in helping to secure a sustainable, motivated and satisfied workforce. We feel that we can contribute to the field of HR-management, by putting the two perspectives of the managers and the employees against each other, to make an exploratory study of the subject. Having researched many articles and sources that seemed to indicate that non-monetary rewards and recognition were more important for employee job-satisfaction, motivation, loyalty and retention we also thought it would be interesting to examine the possible gaps between theory and practice in companies as well as possible gaps between the view of management and employees on this issue. Thus we thought it would be interesting and worthwhile to combine these two perspectives in one study. This ultimately led us to our chosen problem:

“How does GE Healthcare in Umeå use Reward and Recognition strategies and how do their co-workers perceive these strategies with focus on motivation and job satisfaction?”

2.4 Research perspective
The perspective a researcher takes in his or her study, can significantly affect the outcome of the study. This affects what empirical data may be collected, and thus also what analysis can be done. It is important to chose a perspective that is in line with, and can answer the problem and purpose of the research.

Taking into consideration our problem,
“How does GE Healthcare in Umeå use Reward and Recognition strategies and how do their co-workers perceive these strategies with focus on motivation and job satisfaction?”

and our purpose,
“We want to examine potential gaps between evidence and practice on Reward and Recognition Strategies. Furthermore we want to develop an understanding of how co-workers perceive these strategies”

, it is clear that we use the perspective of management. However, we also to some extent incorporate the perspective of the employees, by examining their perceptions. As author’s, we approach the empirical material gathered and our analysis of that from our perspective as business students, and build this analysis on our theoretical platform. We are aware of that our perspective as students are limited in comparison with that of the respondents from management with their solid management experience. However, we still feel that we have received some insight into their reality through our own practical experience, and that this will add to our understanding when completing our analysis.
2.5 Research philosophy

There are two main methodological methods or approaches a researcher can choose from when conducting a study. These are the positivistic and hermeneutic approach.

The positivistic approach is often linked with quantitative studies, when using quantifiable data such as surveys are used. Positivism stems from the natural sciences, and this approach entails believing in absolute knowledge.\(^{32}\) A positivistic approach often means that the researcher goes from theory to empirical evidence, and is thus related to deductivity and objectivity.\(^{33}\) The researcher puts emphasis on quantifiable data, that entails a deductive approach and the focus is on testing and verifying existing theories or hypothesizes, and only after this perhaps relate back to create new theories. But the focus is not on creating new theories, but rather examining the relation between theory and reality.\(^{34}\)

The hermeneutic approach stems from the humanistic sciences, where the hermeneutic researcher has a greater understanding for relativistic thinking.\(^{35}\) The hermeneutic approach also has a focus on deeper understanding and interpretation of particularly human specific behaviorism.\(^{36}\) The knowledge gained through hermeneutic research is less reliable than that obtained through positivistic, but is on the other hand deeper and more nuanced.\(^{37}\) Furthermore, qualitative research focuses more on words and interaction than numbers in the empirical collection and uses inductive reasoning, going from empirical evidence to the generation of new theories.\(^{38}\)

We have chosen to take the hermeneutic approach, for several reasons. To begin with, we are conducting an exploratory case study, where we gather our empirical data through qualitative interviews and not quantifiable data gathered through for instance a survey. Furthermore, our problem, which is so closely linked to individual human behaviors and emotions and very subjective in nature as it deals with personal perceptions, does not lend itself well to the distance and objectivity of positivism. We rather want to capture this very human side of HR-management. We also wish to gain a deeper understanding of our case study, and specifically see how they work with these issues in order to gain more insight into the area. All these things speak for us choosing a hermeneutic approach.

2.6 Scientific approach

Usually, a researcher chooses between two different approaches through which to view his knowledge. The researcher uses these approaches as a starting point for his or her later empirical analysis.\(^{39}\) These are the inductive and the deductive approach.\(^{40}\) Where induction is based on empirical evidence, deduction is based on logic.\(^{41}\) Roughly summarized, one can say that the deductive approach follows the path of Theory (existing) \(\rightarrow\) Observations/result, while the inductive approach follows the path of Observations/result \(\rightarrow\) Theory (new).\(^{42}\)

\(^{32}\) Thurén T, p.14-15
\(^{33}\) Johansson Lindfors M, *Att utveckla kunskap*, p.55
\(^{34}\) Bryman A, Bell E, *Business research methods*, p.25
\(^{35}\) Thurén T, p.14
\(^{36}\) Ibid, p.46
\(^{37}\) Ibid, p.51-52
\(^{38}\) Bryman A, Bell E, p.25
\(^{39}\) Johansson Lindfors M, p.55
\(^{40}\) Magne H I, Krohn S B, p.51
\(^{41}\) Thurén T, p.19
\(^{42}\) Bryman A, p.20
The deductive approach entails developing a theory, and often testing that theory through hypothesis.\(^{43}\) The researcher makes a logical conclusion based on his empirical findings. This finding might not be true in the sense that it corresponds exactly with reality however.\(^{44}\) The last step of the deductive approach also entails reversing the flow described above, and the researcher doubles back in his/her own tracks to become inductive. That is, the researcher links the findings and results of the study back the theory to explain the consequences of the findings on the existing theory.\(^{45}\)

The inductive approach entails working from empirical facts, and then drawing generalized conclusion from this.\(^{46}\) Using the inductive approach, the researcher can only reach and approximate truth, and only reach a certain level of probability.\(^{47}\) As stated above, theory generation is the central theme of the inductive approach. However, this may still mean that the researcher comes up with the same theory as would he have using a deductive approach. It is the approach that differs.\(^{48}\) As explained above, there is no purely inductive or deductive reasoning. In the same way that the deductive approach contains parts of the inductive approach, so does the inductive approach contain parts of deduction.\(^{49}\)

There are also other methods or approaches that aims to combine the inductive and deductive approach. One such approach is called the iterative approach, or as it is better known, *Grounded Theory*. In this approach the researcher moves between the theory creation of the inductive approach, and the theory testing of the deductive approach, moving back and forth until finally new theory is created based on all the empirical findings.\(^{50}\) In the same sense that we do not claim to be completely hermeneutic, we do not claim to be completely deductive or inductive. In order to be completely deductive, would also suggest that we be completely objective, positivistic and use quantifiable empirical data such as surveys. But, also we cannot claim to be completely inductive, since this would suggest that we generate new theory based on empirical evidence without examining any previous theory. We cannot claim to use the grounded theory approach either, since we will not go back to revise our theory and make several empirical collections based on revised theory. However, since we are not generating new theories, but our study is rather descriptive in nature, we do believe our study is somewhat more deductive in nature.

Since we do not see ourselves as strictly adhering to either the inductive, or the deductive approach, there is another approach called the *abductive* approach. Another reason we have chosen this approach, is because according to Sköldberg (1991) the abductive approach is also the approach that is mostly used in case studies. Abduction entails interpreting a specific case using a comprehensive pattern. Abduction takes its starting point in from empirical facts, as does induction, but also encompasses theoretical preconceptions, which is closer to the deductive approach.

---

\(^{43}\) Bryman A, Bell E, p.9  
\(^{44}\) Thürén T, p.23  
\(^{45}\) Bryman A, p.21-22  
\(^{46}\) Thürén T, p.19  
\(^{47}\) Ibid, p.21  
\(^{48}\) Saunders M, et.al, *Research methods for business students*, p.87  
\(^{49}\) Bryman A, Bell E, p.12  
\(^{50}\) Svensson P-G, Starrin B, *Kvalitativa studier i teori och praktik*, p.106
In this way, there is a movement back and forth between the theoretical framework and the empirical findings. Furthermore, abduction also has a high focus on understanding, which we feel is imperative in order to answer or problem formulation and purpose.51

2.7 Research method and purpose

There are two methods that the researcher chooses between when conducting his or her study. They are the means by which the researcher gathers the empirical material. There are the quantitative and the qualitative methods. The quantitative and qualitative methods represent different research strategies, and they are clearly separated in their views of the role of the theory and which scientific approach to use.52 Even so, they can of course be combined by for example doing qualitative interviews for specific views on a subject, and combining this with a broader, more general statistically quantifiable survey.

When referring to the quantitative approach, this most often entails a deductive reasoning, broad and general studies and quantitative data analysis, such as statistical survey data.53 In general, the quantitative approach also means using the norms and conducts of the natural science models of positivism. And that one views reality from an objective, external perspective.54

The qualitative method entails a more inductive reasoning, case studies and more subjective data collection or analysis.55 This method also focuses on the collection of words, through interviews, as empirical material, rather than quantifiable data, and the focus is on generating new theories, thus clearly linking it with the inductive approach.56 Although the links between these methods and their respective scientific approaches might at first seem clear, it is not so that one necessarily excludes the use of the other. There are instances where researchers have used a qualitative approach to test a theory rather than to generate new theories.57

We have chosen to use a qualitative approach in our empirical gathering, even though we are not aiming to generate new theories in the field, but rather to make a comparative study of existing theory and what reality looks like. A qualitative approach with personal interviews can give us a deeper understanding of the subject, and that is what we are aiming for. Furthermore, since we are conducting a comparative case study and not a survey based study, we found the qualitative approach to fit our work much better. It would also be possible to combine the two, using both qualitative interviews and quantitative surveys, and thus gain both width and depth to the study. For the scope of this thesis though, we have chosen not to do this, but rather limit ourselves to the use of qualitative studies. This can mean that we might lose some perspectives on the subject, and can not in the same way draw general conclusions about the subject, we will on the other hand be able to gain a deeper insight into the topic by focusing only on qualitative research. Our aim is rather to provide a deeper understanding, and to generate a basis for further, more extensive research in the field.

51 Sköldberg K, Alvesson M, Tolkning och reflektion, p.42
52 Bryman A, p.36
53 Johansson Lindfors M, p.72
54 Bryman A, Bell E, p.25
55 Johansson Lindfors M, p.72
56 Bryman A, Bell E, p.25
57 Bryman A, p.35
As mentioned several times before, we are aiming to do a *descriptive* study. To explain this a bit further, this entails an attempt to in-depth look on a certain event or a certain context, and to try to explain this.\textsuperscript{58} We wish to examine possible gaps and differences between the views of management and employees on HR-strategies, reward and recognition, job-satisfaction and motivation, to describe the gaps present there, and also between theory and reality in general. Thus, we have chosen to conduct a descriptive study.

But, since we are only focusing on one company, and going very in-depth with this, we are also doing a *case study*. We have chosen this strategy since it can give us a deeper and richer understanding of our research topic and the context, and processes within the selected company. Performing a case study also fits our qualitative and descriptive approach very well, but it might also provide us with enough empirical material to be able to suggest new ideas and theories for future research or during the analysis.\textsuperscript{59}

In a case study there is also two hallmarks to consider. First of all, that one limits the scope of what is incorporated in the case, in our case GE Healthcare and the comparison between the managerial and employee perspectives, and also to describe the chosen case in detail.\textsuperscript{60}

\subsection*{2.8 Primary and secondary sources}

The source of information gathered for a study or for research can be divided into primary and secondary sources. A primary source is one that is created through the study, such as the empirical material gathered through interviews.\textsuperscript{61} A primary source also consists of reliable sources such as protocols, public statistics or governmental publications.\textsuperscript{62} A secondary source consists of catalogs, abstracts and sources that guide the researcher to a primary source and some sources are also secondary in nature.\textsuperscript{63}

Our primary sources consisted of the qualitative interviews we performed with our respondents. Our secondary sources were literature such as books and scientific articles gathered through the library and its databases. The databases we used were Emerald Fulltext and Business Source Premier. We also used the website Google Scholar, which makes dedicated searches within databases for peer-reviewed articles, to be able to locate articles which Emerald or Business Source Premier did not have fulltext or .pdf access to. We used keywords like; reward, recognition, job satisfaction, motivation, retention, talent and HR-strategies in different combinations. Furthermore, we also borrowed recent and up to date literature in the field of HR-management from our supervisor. The discussion about source critics can be found in chapter 4.5.

\textsuperscript{58} Magne H I, Krohn S B, p.76
\textsuperscript{59} Saunders M, et.al, p.93
\textsuperscript{60} Johannessen A, Tuft P-A, *Introduktion till samhällsvetenskaplig metod*, p.56
\textsuperscript{61} Bell J, *Introduktion till forskningsmetodik*, p.125
\textsuperscript{62} Ejvegård, R, *Vetenskaplig metod*, p.18
\textsuperscript{63} Bell J, p.125
In this chapter, we will present our theoretical framework, which we will later use as the basis for our analysis of the empirical data collected. The field of HR-strategy and management is vast and deals with almost all aspects of an organization. However, we have chosen to focus our theoretical framework on theories related to reward and recognition, motivation and job satisfaction. We have also chosen to include theories on organizational culture and change, since we feel that this is relevant to our problem formulation, which entails an American organization and organizational culture being implemented in northern Sweden.

We will however start by presenting a summary and overview of the development and functions of HRM- Human Resource Management, to give the reader a background to the rest of our theoretical framework and analysis. As can be seen in the theoretical flowchart, we will start with a wide background, and gradually narrow our focus to end up in a description of motivation and job satisfaction.

Problem: “How does our studied case company use Reward and Recognition strategies and how do their co-workers perceive these strategies with focus on motivation and job satisfaction?”

Figure 2 - Theoretical Workflow

64 Author’s own model
3.1 HRM – Human resource management

As mentioned above, HR-management is a vast and complex field of research, and the origins of modern HRM are also complex. HRM today stems from a broad range of theoretical fields, ranging from sociology and psychology to management and behaviouralism, much of which originated in USA in the early 1900’s with influences from Taylorism, through to Fordism and the social work revolution of the 1920’s. The real growth of the human relations approach began in the 1920’s, when Elton Mayo and his Hawthorne experiments showed that concern and care for employees well-being and a focus on the social behaviors of work could actually raise production, and this approach was seen as an opposite to the prevalent Taylorism.65 We have chosen to provide the reader with a broad background of HRM with focus on the two main directions, *Soft* and *Hard* HRM. We have chosen to use these as a starting point for our theoretical framework as these will then act as a fundament for our analysis, to build our theoretical platform and analysis upon these larger frameworks.

3.1.1 HRM versus personnel management

There has been a longstanding debates as to the differences between Human resource management and personnel management66. However, lets suffice to say that while personnel management is said to be more operational and focused on the workforce, HRM is more strategic and focuses on the view of employees as assets, and is more generalist in approach than personnel management.67 Guest (1987) describes these differences, and states that HRM is more strategic on focus, but is also more focused on the individual than the collective. HRM also focuses on obtaining the commitment from employees rather than compliance, as personnel management would do. Storey (1992) also suggests that HRM is a strategic tool that must be used from the top executive level.68

3.1.2 HR partner perspective

The function of HR-management can also be as a partner. In the instance of acting as a business-partner, HR will impact the performance of the organization by focusing on managing the human-capital.69 When acting as a strategic partner, HR will be focused on both conceptualizing the business strategy and realizing it, since the allocation and management of human-capital is crucial in both stages.70

3.1.3 HR IT-systems

The use of IT-systems and Intra-net is also an important part of the future of HR. Not only because the use of such systems can handle all administrative functions of HR, but also since it can be used by executives as a strategic planning tool, to track the HR-strategies and functions of the organization more easily.71 This is also related to the size of the company. Larger companies are more likely to use a decentralized and general HR-management system and implement larger IT-structures and organizational-wide HR-systems.72

---

66 Guest D E, *Human resource management and industrial relations*, pp.506-507
67 Bloisi W, et.al, p.804
68 Ibid, p.805
69 Lawler E, p.7
70 Ibid, p.9
71 Ibid, p.3
72 Ibid, p.29
3.2 Soft versus hard HRM

Storey (1992) identified two main views of HRM, which he named these Soft and Hard HRM. The soft approach focuses on developing strategies to build and ensure employee commitment, while the hard approach sees employees more as a cost and a means to an end in obtaining the company’s goals.73

<table>
<thead>
<tr>
<th>Soft HRM</th>
<th>Hard HRM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees as a resource</td>
<td>Employees as a cost</td>
</tr>
<tr>
<td>&quot;People&quot; issues</td>
<td>&quot;Market&quot; issues</td>
</tr>
<tr>
<td>Commitment</td>
<td>Compliance</td>
</tr>
<tr>
<td>Integration/co-operation</td>
<td>Control</td>
</tr>
<tr>
<td>Qualitative/negotiation</td>
<td>Quantitative/rational</td>
</tr>
</tbody>
</table>

Figure 3 - Hard versus soft HRM approaches74

3.2.1 Soft HRM

According to the soft HRM model, employees are a value-creating resource, that demands that the organization takes care when selecting new employees, and also that a strong focus on this resource will lead to competitive advantages.75 Soft HRM focuses on generating beneficial attitudes, aligned to the organization and creating commitment towards the organization and its goals.76

The soft HRM model is often linked to the Harvard model (fig.4), which Beer (1984) suggested was to be used by managers to develop commitment-strategies towards employees, rather than control-strategies.77 One part of the model relates to employee influence, which means how power and authority is dispersed throughout the organization, while aligning to organizational goals. The human resource flow refers to the recruitment, development and retaining or moving people out of the organization. Managers must make sure that “the right people are in the right place at the right time”.78 Reward systems deal with how the organization compensates and rewards employees for their performance. This encompasses both monetary and non-monetary rewards. And finally work systems means ensuring that communication in the organization is functioning well, and the organization is working effectively to reach their goals.79

---

73 Lawler E, p.806
74 Wright P C, HRM Trends in the 1990s: Should Local Government Buy in?, p.30
75 Ibid, p.30
76 Edgar F, Geare A, HRM practice and employee attitudes: different measures – different results, p.535
77 Bloisi W, et.al, p.808
78 Ibid, p.808
79 Ibid, pp.808-809
However, as described, the human resource system is only a part of the larger Harvard model, illustrated below. As we feel that the individual components of this model to a larger degree speak for themselves, we will not describe the individual parts in detail. In summary, the model in figure 5 focuses on the importance of employees, and that the *stakeholder interest* have better chances of being fulfilled if the organization focuses on the *long-term consequences* of their employees well-being.81

Beer et.al (1985) describes this framework as a “*broad causal mapping of the determinants and consequences of HRM policies*”82. And Guest (1987), states that there are in fact no theory on HRM, only implicit theories. This is due to the fact that there are so many external factors that demand policy-based decisions rather than clear-cut instructions.83 Even so, we have chosen to use these models for HRM, since they are the most well-regarded and researched models to date, and has been the foundation of modern HRM.

---

80 Bloisi W, et.al, Fig. p.809
81 Ibid, p.812
82 Guest D E, p.510
83 Ibid, p.510
The Harvard (soft HRM) model was further elaborated by Guest (1987) to include seven policy choices, where the right choice of policies will lead to the desired HR outcome, which will then ultimately lead to beneficial long-term consequences.\(^8^5\)

<table>
<thead>
<tr>
<th>Stakeholder interests</th>
<th>HRM policy choices</th>
<th>HR outcomes</th>
<th>Long-term Consequences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Situational factors</td>
<td>Employee influence</td>
<td>Commitment</td>
<td>Individual well-being</td>
</tr>
<tr>
<td></td>
<td>Human resource flow</td>
<td>Competence</td>
<td>Organizational effectiveness</td>
</tr>
<tr>
<td></td>
<td>Reward systems</td>
<td>Congruence</td>
<td>Societal well-being</td>
</tr>
<tr>
<td></td>
<td>Work systems</td>
<td>Cost-effectiveness</td>
<td></td>
</tr>
</tbody>
</table>

The Harvard (soft HRM) model was further elaborated by Guest (1987) to include seven policy choices, where the right choice of policies will lead to the desired HR outcome, which will then ultimately lead to beneficial long-term consequences.\(^8^5\)

**Figure 5 - Determinants and consequences of HRM policies**\(^8^4\)

Policies
- Organizational job design
- Policy formulation
- Recruitment selection
- Appraisal, training and development
- Manpower flows
- Reward systems
- Communication systems

Human resource outcomes
- Strategic planning
- Commitment
- Flexibility/adaptability
- Quality

Organizational outcomes
- High job performance
- High problem solving
- Successful change
- Low turnover
- Low absence
- Low grievance level
- Cost-effectiveness

**Figure 6 - Policies for identifying human resource and organizational outcomes**\(^8^6\)

In conclusion, the soft model of HRM can be said to focus on employee commitment, aligning employees with the goals of the organization, which in turn will lead to the desired organizational outcomes.\(^8^7\)

\(^{8^4}\) Guest D E, fig. p.509
\(^{8^5}\) Bloisi, et.al, p.813
\(^{8^6}\) Guest D E, adaptation from table p.516
\(^{8^7}\) Bloisi, et.al, p.818
3.2.2 Hard HRM

The hard model of HRM, also known as the Michigan model, was suggested by Fombrun et al. (1984) but was identified by Storey (2001). As noted earlier, this model refers to employees as a resource that needs to be used in order to meet the organizational goals. The focus of a hard HRM manager is not on creating commitment but on raising performance, and is very much focused on reaching strategic goals. Fig. 7 shows Fombruns strategic management model.

![Diagram of strategic management and environmental pressures]

**Figure 7 - Strategic management and environmental pressures**

For management, the tripod starts with the mission and strategy of the organization, and this entails the purpose of the organization and defines their business strategy and nature. The organizational structure includes everything from allocation of personnel, to hierarchical structure and communication systems. And the third leg of the tripod, the human resource management, includes all HR-processes, such as attracting and recruiting new personnel, developing and rewarding these employees in order to fulfill organizational goals set in the mission and strategy.

---

88 Bloisi, et.al, p. 818
89 Ibid, p.819
90 Ibid, pp.818-819
Performance is at the center of this HR-model, as described in fig.8 below. It is very strategic in its approach to managing human capital as an asset to meet organizational goals, and reward and recognition, and focusing on motivating and satisfying employees is only used in order to achieve these goals. Hard HRM is thus more quantitative in nature and focuses the utilization of the work force as with other resources in the organization. So to speak, employees are seen as similar to any other resource, and should therefore be acquired at a low price and used to their maximum profitability. This approach has been more linked to personnel management although it is still in use today, soft HRM has taken over as the main focal area for HR-management.

![Figure 8 - The human resource cycle](image)

3.3 Organizational culture and restructure

Culture is the overall framework through which we all interpret our reality. Companies want to have a strong corporate culture since this enables them to both have control over their employee’s performance, and at the same time have committed and enthusiastic people working in the organization. In this manner, the organizational culture can raise the performance within the organization. Some research also views culture not as something the organization has, but rather as something the organization is. In this view the focus would not be on addressing issues such as high performance, control or management, but rather on understanding and perception.

Although this is an interesting view, we have chosen rather to focus on culture as a whole with focus on individualism and collectivism, as we feel that this is of interest for our chosen case study with the implementation of a traditionally American organizational culture in northern Sweden.

---

91 Bloisi, et.al, p.820
92 Edgar F, Geare A, p.535
93 Wright P C, p.30
94 Bloisi, et.al, p.820
95 Mabey C, Salaman G, Storey J, Human resource management, a strategic introduction, p.456
96 Ibid, pp.460-461
Furthermore, we have chosen to focus on organizational restructuring and power distance, as these are further aspects that we think will help in analyzing the restructuring and transfer from Amersham to GE in our study, and how this could effect motivation and job satisfaction.

3.3.1 Collectivistic and individualistic society

A society in which the concerns of the group come before the concerns of the individual is often called collectivistic, and the majority of the world’s population lives in such societies. The term refers to the supremacy of the group, and not the government or in a political sense. In most such societies generations live together in the same household, as an extended family. Children that grows up in such a society learn to identify themselves as a part of a “we” group, which is the individuals security and safety net. This dependent relationship is both practical and psychological in nature. A society in which the concerns of the individual come before the concerns of the group is called individualistic. In such societies, children grow up in small families, often with only two parents, and learn to identify themselves as not belonging to a group outside the nuclear family.97

3.3.2 Individualism and collectivism in the workplace

What is important in the work life differs significantly between an individualistic and collectivistic society. In the individualistic society, personal time – where there is time to spare for personal life or family, freedom – where there is freedom in how to approach the job, and challenge – where the individual can have personal accomplishments in work, are all important. In the collectivistic society, training – to learn new skills, physical conditions – having a good working environment and use of skills – to be able to put skills and abilities to full use are all top priorities.98

In an individualistic society and working culture, organizations are arranged so that the employee acts in his/her own interest, and these interests should correspond with the organizations interests.99 In a collectivistic culture an employee belongs to an in-group and acts in the interests of that group, even though this might at times go against their individuals interests. In these cultures it is important to employ a person that will fit the group rather than someone that only acts as an individual, and family or network relations plays an important role in the hiring process. In an individualistic society such relationships are rather seen as negative since they might conflict with the alignment of the individuals interest to the organizations.100

Management strategies developed in individualistic countries are naturally individualistically focused. In an individualistic working environment employees move around, and reward and recognition is connected to individual performance, while it is tied to group performance in a collectivistic society. Communication strategies in a company can be different in collectivist and individualistic societies. Face to face communication and face-to-face feedback with only one person can be a little problematic in a collectivistic working environment, these kind of organizations have more indirect ways of communicating with their employees.101

97 Hofstede G, Cultures and Organisations – Software of the mind, p.50
98 Ibid, pp.51-52
99 Ibid, p.62
100 Ibid, p.64-65
101 Ibid, p.65-66
These views of collectivism and individualism are somewhat on opposite sides of the scale. Many cultures, such as Sweden, may share traits from both an individualistic and collectivistic society. Sweden is a collectivistic culture with low power distance and hierarchy. But Sweden is also very high in individualism and low in uncertainty avoidance. Individualism in Sweden is connected to self-development and privacy, where for example American individualism is more geared towards competition. In Swedish culture there is a long-standing tradition of union organization at workplaces, where 80 percent of white-collar and 90 percent of blue-collar workers are members. In 1976 the Swedish Act of Co-determination (Medbestämmandelagen) was passed, which enforce that the management of a company should be done in cooperation between labor and capital, and between company managers and labor union representatives. All parties should have access to the same information, and all major decisions must be discussed.

HRM has traditionally been unitarian in nature, and has taken little concern to the varied interests of trade unions and collective groups. However, studies from the UK has shown that HRM and union organizations co-exists there, and that HRM is even more prominent in workplaces where union presence is strong.

3.3.3 Power distance

Power distance can differ in individualistic and collectivist cultures. Individualistic cultures tend to have a larger power distance and collectivistic ones have a small power distance. In countries where most organizations have a flat organizational hierarchy, employees are less hesitant to voice their opinions. The management also tends to take the employees point of view into consideration before reaching a decision. This is called a consultative style of company culture. Countries that have a large power distance culture often have a large emotional distance between the management and their employees. In companies with a large power distance employees consider each other unequal and there are a few persons that make the decisions in the company. There are a lot of supervisors and the communication with the management goes through them. Salary differences are large between employees and management and the system is hierarchical. In companies with a small power distance employees consider themselves more equal. They have less of a supervisory system and the organizational structure is mostly decentralized. Salary differences between the top management and the employees are fairly small, and employees also like to be informed before the decision is made.

3.3.4 Organizational Structure

Decision rights in organizations refer to who has the power to decide on what actions should be taken. Most of companies’ organizational decisions are made by an individual or by top-level management and a board of directors. There are limitations when it comes to their decision rights and a chief executive officer cannot take all the decisions by him/herself and if they do so, it creates large problems in the organizations especially if the organization is complex. To ensure long-time survival most of the CEO:s make their decisions with the participation of other people in the organization.

---

103 Ibid, p.14
105 Ibid. p.54
106 Hofstede G, p.27-28
107 Ibid, p.35-36
108 Jensen M C, Meckling W H, *Specific and general knowledge and organisational structure*, p. 16-17
There are different ways the company can work with decision-making such as to:
- Distribute the decision making power to individuals throughout the organization
- Design a control system in the company that measures the employee’s performance, and also includes rewards or punishments for the employees in regards to this performance.\textsuperscript{109}

There are many different ways to increase the effectiveness in the company. But the control system has to be as close as possible to the interests of the co-workers. This control system needs to include measurement of performance and evaluation system for each subdivision, and the reward and punishment system should relate to the individuals performance level in the company.\textsuperscript{110}

\textbf{3.3.5 Organizational restructure and job satisfaction}

There are many parts of job satisfaction that can be affected by organizational change, such as satisfaction with coworkers, satisfaction with the relationship between the employees and supervisors, growth satisfaction or work motivation. The age of an employee, educational level or experience might also influence how job satisfaction is affected by organizational change.\textsuperscript{111}

Reorganization can affect the growth opportunities in the company and the relationship between the coworkers and supervisors. Furthermore, employees in managerial positions can perceive the organizational change more positively than employees at lower levels in the organization. They might also be better informed about strategic decision and upcoming changes, and thus more prepared for them. And also, employees with higher-level educations might also experience more development opportunities within the organization, and thus view the organizational change as more beneficial, and positive.\textsuperscript{112}

During the organizational restructure it is important for managers to understand the internal relationships in the work place. They need to consider the level of satisfaction with relationships between the coworkers and supervisors, internal work motivation and the work satisfaction in general. It is important for managers to realize that they not only need to inform the employees but also they need to make employees adjust to new opportunities. It is also important that employees realize and sees the remaining opportunities in the work place, since this can make them more motivated and decrease future problems, and make the organization more effective. Research also suggests that the need for supervision and communication increases during a restructuring to keep employee satisfaction up.\textsuperscript{113}

\textbf{3.4 Reward and recognition strategies}

Reward management is a strategic tool, used by management to formulate and implement policies and strategies that aim to recognize and reward the members of the organization in a way that is consistent with the organizational goals. Furthermore, it also encompasses rewarding people with fairness, and in relation to their contribution and the value they add to the organization.\textsuperscript{114}

\textsuperscript{109} Jensen M C, Meckling W H, p.21
\textsuperscript{110} Ibid. p.24
\textsuperscript{111} Howard L J, Frink D D, The effects of organizational restructure on employee satisfaction, p.281
\textsuperscript{112} Ibid, p.281
\textsuperscript{113} Ibid, p.297
\textsuperscript{114} Armstrong M, Murlis H, Reward Management-A handbook of remuneration strategy and practice, p.3
All organizations and companies have their reward systems. Executives and managers might often see rewards as being only monetary compensation, but this entails more than just pay. Without these rewards, employees would not join the organization, be inclined to come to work, or perform in line with the mission or strategy of the company. A reward system is also a part of a larger HR-strategy, with the goal of strengthening employee loyalty, raising motivation and increasing job satisfaction.

Managers also use the reward and recognition strategies as a tool to motivate their employees. Rewards are one of the most important tools managers can use to communicate to employees what they think is effective and important behaviors at work. If for instance, managers want people to effectively work in teams, they need to set their reward systems for teamwork. Rewards can be given to an individual based on their performance or for a group to be divided equally. Reward systems can make the team hold together, they help team members to understand the companies strategies and visions, help to stimulate the effectiveness in the team and they increase the learning and motivation process in the group. For global companies, reward strategies also need to take into consideration the companies goals and objectives as well as the global economy. Reward management starts with the HR-strategy of the company, where it is aligned with the company’s visions and goals. It is also an important tool in aligning the employees to the values and goals of the organization. According to the Harvard model of HRM, the employees should be part of designing the reward system, and the manager must make sure that it is aligned with the organizational goals.

3.4.1 Performance management

This part includes managers, individuals and the groups in the company related to company’s performance expectations. It can occur through feedbacks, personal developments conversations and information about the payments. Performance management is also the basis for salary and other performance-related rewarding.

3.4.2 Base salary

Base salary it is the fixed rate that the employees get and is based on their performance, skills and their outcome for the company. Base salary consist of Contingent pay - which is associated with how the employee performs, his skills and contribution to the company, and Variable pay – which is associated with extra monetary payments linked to bonuses and which can be based both on the performance of the employee, but also based on a teams, or even the companies performance.

Contingent pay is sometimes labeled “show-up pay”, referring to the employee receiving pay for coming to his or her job. Apart from reflecting the skill-level, responsibility level and capabilities of the individual within the organization, the salary level is also affected by living costs.

115 Wilson T B, p.9
116 Thorpe R, Homan G, p.106
117 Cacioppe R, Using team-individuaul reward and ecognition strategies to drive organisational success, p.322-323
118 Armstrong M, Murlis H, p.5
119 Ibid, p.4
120 Bloisi W, et.al, p.809
121 Armstrong M, Murlis H, p.8
122 Ibid, p.7
123 Wilson T B, pp.9-10
High wage strategies are focused on attracting and retaining top-talent to the organization by offering high wages, trying to create a more productive and superior employee base. However, many companies have found out the hard way that this is not enough.

### 3.4.3 Increases in pay

Raised living-costs, or raised level of performance may be the reason for an increase in pay, and employees within most organizations have come to see such increases in salary take place annually. This is hard for companies to maintain however, since people that are rewarded above the norm, also come to expect this as regular treatment. And when the company has to divide the assets between staff, they will have to decrease or maintain salary levels for some individuals to be able to reward others above the norm. Thus, performance-based pay, also known as merit pay, is often a zero-sum equation.

Furthermore, because increases in pay are often decided upon annually, these increases does little to influence the employee motivation for the rest of the year, and those who feel left out or mistreated when times comes for annual raises, will be more likely to be negatively affected by this the rest of the year. If the company treats increases in salary the same across the company regardless of performance, this will make high-performing individuals feel unappreciated, and may lead to problems in retaining their talent.

### 3.4.4 Promotions and performance rating

Performance ratings or appraisal systems are one way for the company to try to raise motivation and satisfaction. This means that the company regularly (often annually) reviews the performance of their employees and that this rating is then the basis for the rewards given, such as promotions of other benefits. Although a higher promotion is usually paired with higher salary, promotion is more linked to prestige, and formal recognition. A higher position within the organization may not only yield higher salary, but also more responsibility, higher stature and job satisfaction. However, for most companies development and in-house trainings for personnel often have to be applied with discretion, not evenly throughout the organization and thus creates the same dilemma with leaving some people outside the loop as does annual salary increases.

Higher responsibility however, could also be linked with empowering the worker, regardless of level in the organization. An empowered worker will have the ability to assume responsibility, be allowed to do so by their managers and receive feedback and recognition for doing so by both managers and co-workers. This view is also to some degree supported by Locke’s (1975) goal theory, which states that an employee that is given feedback on his or her performance will be more motivated and the future performance will be better as a result, and also that setting goals together with an employee will raise the incentive to achieve those goals. This is also the fundament for merit pay, which is linked to the performance rating or appraisal of an employees work.

---

124 Thorpe R, Homan G, p.53
125 Wilson T B, pp.9-10
126 Ibid, p.10
127 Ibid, p.10
128 Kerr S, p.279
129 Thorpe R, Homan G, p.107
130 Wilson T. B, p.11
131 Tengblad S, p.178
132 Thorpe R, Homan G, p.90
Performance ratings are also closely linked with talent management. Since the management of human-capital is important, so are talent management strategies. Here, HR puts their focus on attracting, developing and retaining talent within the organization. Studies have also shown that larger companies and organizations have more systematic processes for dealing with talent, and also for regularly reviewing and identifying low-performing individuals within the organization. These are either flushed out of the organization or given coaching and counseling. Differentiating and identifying the different levels of performance amongst the employees will focus the efforts of HR-management. The company needs to identify their top-performers and devote even more resources on them to retain their talent. They need to affirm their average-performers and try to develop them, and they need to coach or act decisively regarding the low-performing individuals. However, many companies feel uncomfortable in labeling their employees in this manner, singling out individuals that are not meeting their standards. It is easy for managers or executives to feel that they are passing judgment on others, when in fact they should view the process as helping to develop, and evaluate performance.

3.4.5 Bonus and other incentive programs

These types of programs gives employees, managers and executives an added annual compensation, which is often based on the company’s profit and performance throughout the year, measured against set goals. These programs are intended to directly reward employees and managers for their performances. However as with pay increases above the norm, the persons receiving these bonuses or incentives may come to expect them, and thus put pressure on the company to deliver them regardless of performance or financial situation.

3.4.6 Special recognition

These types of programs are aimed at recognizing performance on a very individual basis. They are often non-monetary rewards and recognition such as employee of the month awards, sponsored trips or tickets to different venues. They might also be geared towards celebrating an individual’s long-time commitment towards the organization. A drawback with this system is that it might create rifts amongst employees, and might do little to boost performance or influence positive behavior in the organization.

3.4.7 Employee Benefits and Services

Employee benefits or, fringe benefits, are one way of compensating employees apart from regular salary or bonuses. These benefits can be things such as company cars, free healthcare, medical insurance, retirement funds, paid holidays or childcare. As a company grows, many of these benefits can become norm, and given to all employees, such as childcare, gym discounts or counseling. These benefits can help establishing an attractive company culture for employees and both attract and help retain employees. However, relating back to the employees values and attitudes, different individuals will put greater or lesser value into these benefits, depending on their situation or preferences. Therefore great care must be taken to analyze what employees really want and need, taking both cultural and individual idiosyncrasies into consideration.

133 Lawler E, p.36
134 Ibid, p.38
135 Michaels E, The war for talent, pp.126-127
136 Ibid, p.12
137 Wilson T B, pp.12-13
138 Ibid, p.14
3.4.8 Feedback and communication

There are many reasons an employee might want or seek feedback from his or her supervisors, amongst other things to reduce confusion or insecurity about specific tasks, or to assist them in their personal development and goal setting. New employees in an organization also tend to have a larger need for information and feedback, both relating to their job-roles and their performance, and providing them with that feedback can increase their job satisfaction. Studies have also shown that top-performers tend to be more active in seeking the feedback from management than average or low-performers.\(^\text{139}\)

Only giving feedback on performance but not on the specific processes and behaviors that leads to that performance may diminish job satisfaction. If an employee is told that their performance is good or bad, but not told what the behaviours or reasons are behind this feedback, this is likely to cause both confusion and dissatisfaction.\(^\text{140}\) However, even though studies show that some degree of feedback is needed to make goal-setting more efficient, feedback in itself has not been proved to lead to a better performance.\(^\text{141}\)

Another aspects of communication and information in regards to its influence on motivation and job satisfaction is that it can help the employee to better see his part of the whole. With the right and adequate information given, the employee can more easily see the link between his or her work effort, and the overall performance and success of the firm. This is of course easier for employees in small firms, where the link is more obvious. Never the less, such a view can lead to a rise in job satisfaction.\(^\text{142}\)


![Theoretical Framework Diagram]

**Figure 9 - Measuring performance and Key-Performance Indicators\(^\text{142}\)**

\(^\text{139}\) Madzar S, *Hungry for feedback?*, p.246

\(^\text{140}\) McAfee, Quarstein, Ardalan, *The effect of discretion, outcome feedback, and process feedback on employee job satisfaction*, p.11

\(^\text{141}\) Erez, Kleinbeck, Thiery, *Work Motivation in the Context of a Globalizing Economy*, p.17

\(^\text{142}\) Mabey C et.al, p.295

\(^\text{143}\) Wilson T B, model p.25
3.4.9 Reward and recognition strategies in teams

Teamwork has been increasing in the companies due to several reasons. One reason is that organizations are changing their structure from a hierarchical to a flatter system where equality between group members occurs. Another reason is that the level of competition has been increased between companies and if one company does not see the opportunities in a market another one does. By having employees who provides powerful work in teams and are more responsive to the customer needs, a company can have a competitive advantage.144

Rewards in teams can be given for individual performance within the team or can be given for the whole team to be divided equally. Reward systems are important to keep the motivation at a high level for team members and help the team to achieve their vision and goals. Common goals and visions are also very important for the team to achieve success. Rewards and recognition also helps to increase the relationship between the team members, and can strengthen the behaviors needed to succeed.145 However, successful cooperation between team members in a work context is closely linked to the organizational culture, which is the framework for also establishing a team culture which premiers the values and behaviors laid out by the organizational culture. In this way, the level of successful teamwork and cooperation is not only based on individual group member’s preferences. It is also supported and guided by the HR-systems that rewards and recognizes specific behaviors and performance in the organization, and if these are geared towards recognizing and rewarding individual or team performances.146

There are generally three different ways of rewarding teams.
1) Money/prizes/gifts
2) Recognition and praise awards
3) Development/Empowering work147

Every organization has their own organizational culture and offers different kinds of working environments to their employees. It is important that the reward and recognition systems have a good fit with organizations culture as well as a good fit with the team-culture. When managers establish their reward systems, they need to take some things into consideration. For example if the company has a materialistic and competitive environment, it would be more effective to give monetary rewards or in a smaller organization where personal relationships are very important it would be more effective to write personal thank-you letters or letter of recognitions.148

---

144 Cacioppe R, Using team-Individual reward and recognition strategies to drive organisational success, p.322
145 Ibid. p.323
146 Zeffane R, Cooperation and stress - Exploring the differential impact of job satisfaction, communication and culture p.619
147 Cacioppe R, p.326
148 Ibid. p.328
3.5 Motivation and job satisfaction

Locke (1976) has one definition of job satisfaction that states that it is “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experience”. Smith et al. (1969) defines it accordingly “job satisfaction are feelings or affective responses to facets of the situation”. And for a final definition, Davis and Lofquist (1984) propose that job satisfaction is the result of how an employee feels that his or her working environment fulfills his or hers individual needs.149

3.5.1 Motivation and hygiene factors

Much research has been done on what motivates and drives human behavior. Research by Herzberg et al. (1959) suggests that to understand the motivation of employees, one needs to understand the attitudes of the employee. Herzberg suggested two lists of factors that affect satisfaction. Those were Motivation and Hygiene.150 This two-factor theory proposes that the motivational factors relates to our psychological needs as humans to grow and develop ourselves, while the hygiene factors relates to our physical needs.151

These hygiene factors, or maintenance factors, such as supervision, salary, organizational structure and working environment, are all basic expectations. This means that they in themselves do not create job satisfaction, but if they are lacking or even absent, then can cause dissatisfaction. The factors that do influence satisfaction positively are instead the motivational factors, such as the job itself, recognition or advancement opportunities.152 In short, the hygiene factors will act de-motivating if they where not at a satisfying level, while the motivational factors will act as positive effort-sustainers.153 On the other hand though, other studies has shown that there is no universal solutions to motivation. Something that motivates one person will not motivate another, due to many factors. People differ as individuals both in personality and needs, as do situations differ.154

Even though one might argue that these theories are old, we still think that they are valid. We also believe that using these as a background, serve to give an understanding on how the view of motivation and job satisfaction have evolved in management theory since the 50’s.

3.5.2 Agent/Event factors

According to Locke (1976), what makes an employee feel satisfaction is an event (or condition). What causes the event to take place is an agent. Referring to Herzberg, this would make the event a motivator, where degree of responsibility, successes or failures motivates employees and triggers satisfaction or dissatisfaction. The agent on the other hand, would be a hygiene factor, which is an event that evokes feelings of satisfaction or dissatisfaction. Job satisfaction then, ultimately becomes a function between what goal and outcome, between employee’s values, and how these are fulfilled. The more narrow the gap between the expected and the outcome is, the higher the level of satisfaction will be.155

149 Tsigilis N, Kousetelios A, Togia A, Multivariate relationship and discriminant validity between job satisfaction and burnout, p.666
150 Tietjen M A, Myers R M, Motivation and job satisfaction, p.226
151 Ibid, p.227
152 Pors N O, Job satisfaction among library managers: a cross-cultural study of stress, freedom and job conditions, p.465
153 Bassett-Jones N, Lloyd G C, Does Herzberg’s motivation theory have staying power?, p.932
154 Thorpe R, Homan G, p.91
155 Tietjen M A, Myers R M, p.229
According to Herzberg, the actual job tasks are a key source of increased job satisfaction and decreased dissatisfaction. Thus, the role of the manager is of key importance here, since he has the opportunity to alter job tasks to increase job satisfaction, without increasing costs.\footnote{Pors N O, p.465}

### 3.5.3 Values and attitudes

The values that shape our attitudes and guides our actions, are the foundation for how we define ourselves as human beings. Our values dictate many of our preferences, and are at the core of our culture and society. Many of our values are also relatively unknown to us, since we acquire them in childhood, and they are such a natural part of our personality that we rarely reflect upon them.\footnote{Hofstede G, p.8} Attitudes towards ethics, money and competition may differ significantly between nations due to cultural idiosyncrasies. Thus, the company must rather try to influence than require or demand specific behaviors from employees, and take the values and attitudes of their employees into consideration.\footnote{Romero J, Kleiner B. H, Global trends in motivating employees, p.14} Since culture and values are at the core of our being, it also fundamentally affects what we see as desirable and important, and thus also our level of satisfaction.\footnote{Pors N O, p.465}

There is also the mentality and attitude of co-workers to consider. In many workplaces, co-workers are generally poor at giving feedback and motivating each other. In Sweden, it is also quite common in larger group-based work establishments that the so-called Swedish “Jante-law” is in effect. This unwritten law entails that an individual should not think they are any better than anyone else, and employees striving to excel and have high ambitions, can be faced with hostility and ingratitude from others.\footnote{Tengblad S, p.162}

### 3.5.4 Stress and job tasks

Stress is a major factor contributing to reduced performance, higher absenteeism and reduced profits. Inefficient organizations, lack of communication, the attitude of management and even the organizational culture itself are all potential sources of stress and job dissatisfaction.\footnote{Zeffane R, p.618} According to a study by Niels O. Pors, too much stress, in combination with tedious administrative work severely dampens job satisfaction, and there is a correlation between the level of stress and the perception of freedom in the job. Administrative work also seems be neutral in regards to satisfaction, while leadership oriented tasks boosts job satisfaction.\footnote{Ibid, p.472}

### 3.5.5 Contingency Theory

The contingency theory suggests that to be successful, a company or an organization must match their structure and incentive systems to their business and technology. Companies working in innovative, rapidly changing and uncertain markets, would be better off utilizing a more organic, open management system, with open communication, a flatter hierarchy and cooperation across divisions and organizational levels. The opposite would be true for a company working in more stable markets, with greater certainty and less prone to rapid change.\footnote{Thorpe R, Homan G, p.85}
In line with this approach of adapting to their specific reality, companies and organizations should according to contingency theory also adapt their remuneration systems to suit their specific organizational structure and the employees therein.164

There is also much research (White 1973, Schein 1980, Goldthorpe et al. 1968) that suggests that the motivational agents and sources of satisfaction are not fixed for employees, but can change over time or by external factors. This would mean that employees might be able to adapt their needs to correspond to the rewards and recognition offered by the organization, for example by searching to fulfill their needs.165

A problem for most companies is the constant struggle to stay competitive, and battling with limited resources. In such a reality, it is not possible to constantly raise salaries to employees in attempts to increase motivation and job satisfaction. Studies has also shown, that even though most employees value a good salary and a significant bonus, non-monetary rewards and recognition can linger for a longer time in the minds of employees and increase motivation and satisfaction in the long run. The relationship-building with employees consequently focuses on giving the employee challenging works, opportunities to learn and to create meaning in their work, in exchange for the employees giving the company their commitment, loyalty and motivation.166

164 Thorpe R, Homan G, p.86
165 Ibid, p.86
166 Huff C, Recognition that resonates, p.2
3.6 Concluding theoretical model

Our concluding theoretical model follows the same structure as the theoretical workflow. The logic of the model is that any company, especially a global organization, has an established way of working with HRM. This system can be said to belong to the hard or soft HRM system, or possibly a mix of the two. When establishing themselves internationally, these systems will then be affected and possibly to some extent revised by the national culture, and existing organizational culture of a acquired company (such as in take-overs or mergers). This in turn, decides the effectiveness of the company’s reward and recognitions strategies, and how they can work with this. And finally all of these three larger functions, and how well aligned they are, affects the motivation and job satisfaction of the co-workers. This is of course a simplified model, but we feel that this cause and effect relationship gives us a holistic base for analysis and conclusion.

Figure 10 - Concluding theoretical model\textsuperscript{167}

\textsuperscript{167} Author’s own model
4. PRACTICAL METHODOLOGY

In this chapter, we will present our research process, how we made preparations and how the collection of the empirical data was conducted.

4.1 Survey design

There are a multitude of designs that can be used by the researcher, such as cross-sectional, longitudinal, case study, or comparative design. The researcher has to consider that the design chosen can affect what empirical material that is obtained. He or she have to consider if a questionnaire or an interview is the better choice, and which type of structure to give this document.

As previously mentioned we have chosen to use a qualitative interview in our case study as our approach, since we wish to gain a deeper understanding of our case studies than a questionnaire would be able to provide. A qualitative interview is often called unstructured or non-standardized. This puts a lot of demands on the researcher to make methodological decisions on the spot during the interview as for which questions are to be asked, and which to elaborate upon and how to guide the interview. We have also chosen to use a semi-structured interview form. This means that we use an interview guide with thematic questions, where the topics of the interview and the order in which they are brought up is structured, and the questions are often more of suggestions than exact formulations, or are questions that are open for follow-up questions and more narrative in nature. This means that the respondent have more freedom to speak from personal experience and also that questions can be asked that is not in the interview guide, but that the researcher can clarify or deepen the information gathered from previous questions.

This type of design is better suited for our case study, since we can obtain very case specific information that later can benefit our analysis by providing depth and better insight. Case studies are also considered suitable when the studied phenomenon is complex. In these cases, the aim is to explain, understand or describe larger organizations, occurrences or systems. And since we have chosen the case study approach, we are also able to not only consider the insight each respondent have given us to the research question, but also compare them with other views on HR-management, both within the general field of management, but also in the specific field of GE-management, where a variety of literature exists. This enables us to identify any particular similarities or differences, thus also taking individual realities and even cultural differences into consideration.

4.2 Selection process

After having arrived at our chosen subject and problem, we then contacted several medium to large companies in the Umeå region, since we needed companies of sufficient size to get a broader organizational understanding, and also companies where there would be more layers in the organization for HR-management to work with.

---

168 Bryman A, Bell E, p.39
169 Bell J, p.125
170 Kvale S, Den kvalitativa forskningsintervjun, p.19
171 Ibid, p.121
172 Bryman A, Bell E, p.343
173 Backman J, Rapporter och uppsatser, p.49
We also felt that understanding reward and recognition systems in larger companies would be more interesting than in small companies where you work more in one team, as opposed to the diversity of a larger organization.

In the beginning of the process, we wanted to focus on two companies as our case study amongst the companies contacted, and we contacted several companies of interest, to have a broader selection, and also to make sure that we at least got the acceptance of two companies amongst these. After researching company websites, and also discussions with our supervisor, the companies initially contacted were GE HealthCare, PriceWaterhouseCoopers, and Spendrups. Other potential companies we listed were Swedbank and Tieto Enator. We wanted to the company to fulfill the criteria of size, that they had a HR-manager in charge of HR-policies and implementation. They also needed to be comparable in terms of their type of employees (like for example labor intense production, or knowledge intense companies), while at the same time being diverse enough to add width to the study.

We received initial reply from GE Healthcare in the middle of December, that they were interested in participating in our study, but that they had no opportunity before the fiscal year 2006 had ended, and that we had to contact them again in January 2007. After discussions between ourselves and with our thesis supervisor, the idea of conducting a deeper one-case study of GE Healthcare seemed more plausible. This was due to several reasons. For one, focusing on only one respondent, would simplify access, and would make the interview process easier. Secondly, since GE is world-renowned for decades for their successful and innovative HR-strategies, it made GE Healthcare a prime candidate for our study. Thirdly, since GE Healthcare was previously Amersham Biosciences, and became a part of GE in April in 2004 and retained much of the staff, it provided us with an interesting perspective. This could enable us to see if the transfer to GE’s HR-system had in any way significantly affected the job satisfaction or motivation of the staff, and how they had experienced the transfer.

If we had secured several respondents, we would have had the opportunity to also make direct comparisons between the respondents. This could have added width to our study, but focusing only on GE Healthcare, with more interviews only with them and the depth that adds we found to be of higher interest.

After repeated mail-correspondence and telephone contact with our contact person at GE Healthcare, their HR-director, week 4 was decided as the interview week. The HR-director supplied us with a time-schedule for the interviews, and we were invited to their office. There, we were given access to an office in which to receive the respondents. The HR-director supplied us with an interview schedule, and the interviews took place over four days. Twelve respondents were chosen, five of them being managers both from production and administration, and seven being employees, three blue-collar and four white-collar workers. Here we must also note, that when first conducting the interviews, we had a sampling of four blue-collar and three white-collar workers. However, upon receiving our respondent validations and corrections, we found out that one of the blue-collar respondents was in fact a white-collar worker. The company had apparently seen him mostly as a blue-collar worker in regards to his work assignments. But, he had recently changed his position. We do not feel that this has affected our results, since the questions asked where the same for white-collar and blue-collar workers. But it is never the less important to mention since this changes the sample distribution.
As we used the HR-manager as our link to the company, we can be said to have used a snowball sampling method, as she supplied us with the other respondents. One could argue that this could make the sample less random. However, we asked the HR-director to supply us with respondents from diverse parts of the organization, and in an organization with 450 employees and the HR-director having been rather recently appointed, we feel that the selection would not have been made subjectively. Also, judging from the wide range of respondents we received, both in terms of their job-roles and age, we do not believe that the HR-managers choices were biased. Since GE wished all respondents to remain anonymous, we can of course not present the specifics of their diversity. Finally, our empirical findings also support that a random choice was made, since we found both positive and negative perceptions and experiences amongst our respondents. Thus, we do not believe that a biased choice was made, trying to present only a positive aspect of the company.

This is of course important, as we wanted to capture many different perceptions of the HR-strategies examined in our case study, and we feel that we did manage to get a diverse mix of respondents with diverse perceptions of said strategies. We received interviews with respondents from both manufacturing and administrative parts of the organization, and particularly respondents that had worked at the facilities long before the transfer to GE, thus being able to make direct comparisons between then and now.

4.3 Data collection and processing

As previously stated, our method of collecting our primary data was through qualitative, semi-structured interviews. These interviews were conducted at GE Healthcare’s Umeå office. All the interviews were recorded using a laptop, to facilitate transcribing and to be able to use correct quotes from the respondents. During the interviews, we took also notes for key statements that we wanted to emphasize as important in our minds, and as a base for reflection for later empirical processing and analysis. All interviews ran smoothly without any interruptions, and the feeling we got was that all respondents felt at ease and answered our questions openly and willingly.

The interview guide was mailed in advance to the managerial respondents to give them adequate time to prepare for the interviews. The co-workers did not receive the interview guide in advance. The reason for this was that the managers asked to see the interview guide in advance, but also since we wanted the managers to be able to speak in length about the way the HR-strategies were intended to work. This could mean that the responses of the managers would be less spontaneous than those of the co-workers, but since we used a semi-structured interview, we also had the opportunity to ask them other unprepared questions. Regarding the co-workers, as states in our purpose, we wanted to capture their perceptions of the HR-strategies used and how that affected them. Thus, we wanted their answers to be as spontaneous and unprepared as possible, in order to get open and honest feedback from them. We also informed the respondents that each interview was estimated to take one hour.

We also informed them that they had the option to remain anonymous, since we considered this as a potential topic of concern for the employees. However, after the interviews were completed, we decided to let all respondents remain anonymous. This issue was also discussed with the HR-manager that was responsible for arranging our interviews. Thus all names in the empirical part of the thesis are assumed names, with only the position of the respondent being accurate.
We are aware that this will have meant a loss of some perspectives for our analysis and conclusions. For one thing, we do not have the opportunity to analyze how the experiences and education of the respondent could have affected their view of GE’s strategies and their motivation and job satisfaction. Furthermore, we cannot analyze if the length during which an employee has been at the workplace have affected their view. That is, if they might have been deeply rooted in the old organizational culture, this might mean that they view a change as more negative. But, we are aware of these short-comings, and will strive to make the most of the empirical material that we do have for our analysis.

After conducting the interviews we listened through the recordings, compared this to our notes, and compiled the most important answers to our questions. After this compilation, a document was sent back to the respondents for verification. This in order to eliminate the possibility that me might have misinterpreted any of the information given. Another reason was to give the respondents the possibility to see if they might have accidentally disclosed classified information, that they in retrospect would like us to withhold from the final empirical presentation. We also informed our respondents that all information collected during the interviews and presented in the compilation sent out to them, would not be published in the final thesis. However we also assured them that no additional information would be added either, since this would have entailed making a second round of validation.

Furthermore, all interviews were conducted in Swedish, since this was the native tongue of all respondents, and we wanted them to be able to speak as openly and freely as possible about their experiences and thoughts on the topic. We did not want the language to be a barrier for those that did not speak English fluently. This meant that we also had to translate the empirical data collected before beginning our analysis and conclusions. One problem here is of course that some misinterpretation might have taken place during translation, or that some of the finer details of the language might be hard to translate correctly. However, we feel that our English proficiency is more than adequate for this, and we do not think that we have missed or neglected any important information during the translation process.

After receiving the validations of our respondents we removed such information that they did not want to be disclosed in the final thesis, after which we began translation of the empirical data. We further condensed the empirical material and structured the empirical presentation in line with our theoretical framework.

4.4 Interviewer bias

Whenever a researcher chooses to conduct interviews in person, he or she has to consider the interviewer effects. In the case of a qualitative interview, the researcher is the research tool used, and thus has to be qualified and knowledgeable enough to conduct the interviews in a proper manner to obtain the desired results. The interviewer should be knowledgeable in the field studied, be a good conversationalist and be comfortable linguistically, especially if conducting the interview in a language other than his or her own. There are also a number of circumstances that can and will positively or negatively affect the interview. One important aspect to consider is the location of the interview itself. We feel that conducting the interviews at the workplace of the respondents will help in making them more comfortable during the interview situation and thus answering our questions in a more open and confident manner.

174 Kvale S, p.136
175 Johannessen A, Tufte P-A, p.99
Another issue is how the respondent perceives the researcher. Many things can influence the way the researcher comes across towards the respondent, such as age, gender, ethnicity, appearance and behavior. All such factors can either create distance between the researcher and the respondent, or create closeness. Although we cannot influence most of these factors, we have considered those we can influence. Even though we cannot hope to eliminate interviewer effects, we can at least hope to minimize them by acting in a calm, professional, friendly and respectful manner.

4.5 Source critics

As a researcher, one should always strive to be critical and treat sources objectively. This both entail theoretical and empirical sources, primary and secondary sources. When looking at secondary sources such as scientific articles or books, they should always be peer-reviewed and as up to date as possible. We feel that by using the available databases, we have obtained relevant and peer-reviewed articles for our study. We have also tried to use articles that other has referred to as much as possible. We have also tried to use up to date reference literature, and borrowed recently published books in the field of HR-management from our supervisor.

When considering the primary sources, especially with respondents in a qualitative interview, the researcher needs to consider the motivation behind the respondent’s answers. Do they have reason or incentive to exaggerate reality, or withhold certain information? And if so why, and how that should be treated.

Since we are conducting a case study, one can imagine that the respondents could wish to paint a good picture of the reality of their company. But on the other hand, we believe that since one of our purposes is to investigate the possible gap between the management and employee perspective within the organization, that this would be of interest to the company, and thus would make them inclined to be as open and honest as possible in their answers. Since we also interviewed employees about their view of the reward and recognition systems of the company, we feel that the offer to remain anonymous could have helped in making them more comfortable in speaking more openly with us.

176 Ibid, p.100
177 Johansson Lindfors M, p.87
178 Esaiasson P, et.al, Metodpraktikan, p.327
5. EMPIRICAL STUDY

In this chapter we will present the findings of our empirical study. These are presented in the form of interview transcriptions for each respondent, structurally aligned with the flow of our theoretical framework. We have also chosen to present General Electric as a company, and their HR-strategies relating to reward and recognition.

5.1 Presentation of General Electric
Edison Electric Light Company was founded by Thomas A. Edison in 1878. Edison General Electric Company and Thomson-Houston Electric Company merged in 1892 to create General Electric. GE is the only company listed in the Dow Jones Industrial Index that has been listed since it first began in 1896.\footnote{http://www.ge.com/en/company/companyinfo/studentportal/student.htm} GE has six global businesses; GE Commercial Finance, GE Infrastructure, GE Healthcare, GE Money, GE Industrial, NBC Universal.\footnote{http://www.ge.com/en/company/businesses/index.htm} GE produces everything from aircraft engines, power generation, financial services, television programming and medical imaging to plastics. GE has operations in more than 100 countries and has over 300,000 employees worldwide.\footnote{http://www.ge.com/en/company/companyinfo/studentportal/student.htm}

5.1.1 GE Healthcare
GE Healthcare is a business leader in the development of patient care, and disease detection as well as supporting physicians with treatment for individual patients.\footnote{Ibid} One of the innovations of GE Healthcare that has attracted a lot of attention lately is their computer-tomography “LightSpeed VTC”, that produces a full three-dimensional image of the human heart in only five heartbeats. GE’s medical-technical systems are used all over Sweden for diagnostics, treatment and monitoring. GE Healthcare Uppsala is a research development facility that produces products for biotechnical pharmaceuticals, such as insulin. GE Healthcare Umeå manufactures laboratory instruments.\footnote{GE Sweden information booklet, provided by GE Healthcare}

5.1.2 GE Healthcare Umeå
The manufacturing facilities in Umeå were established in 1967 for Pharmacia. In 1997, the company merged with Amersham International to become Amersham Pharmacia Biotech, which is one of the largest biotech companies in the world. In 2001 the company got a new identity and the name was changed to Amersham Biosciences, and the manufacturing plant in Umeå was enlarged. Finally, in 2004, Amersham Biosciences became part of GE Healthcare. The Umeå unit is building and distributing advanced equipment world wide, and has buildt a very competitive company.\footnote{Information provided by GE Healthcare Umeå}
5.2 GE HR-Management

GE uses a large amount of different management tools and processes to guide and govern the organization. We have chosen to limit our presentation to those HR-management strategies that we feel are relevant to our case study. These are presented below.

5.2.1 GE Raise Track and Session C

GE Raise Track is a planning calendar, with three different parallel tracks, or layers. One track is the strategic track, where S-1 (Session 1) is prepared in April. S-1 is a three-year strategic plan where the goals and focus areas for the coming three years are set. During the fall, in August/September, S-2 (Session 2) is prepared, which is a financial plan for the coming year. Parallel to this track is the environmental systems track, which consists of reoccurring processes throughout the year that are focused on GE’s environmental issues. The third layer or track is the HR-management or employee track. This track starts in January with Session C (described below).\(^{185}\)

Session C is GE’s annual formal system for reviewing performance on all levels of the organization, in order to achieve organizational alignment.\(^{186}\) Sessions C is an employee-performance oriented system, where an employee writes an individual assessment of his or her own performance, strengths, development needs and career goals. This is then reviewed and assessed by their managers.\(^{187}\) Session C is also an instrument for pipeline management, where GE can identify high-potential talent in an early stage.\(^{188}\)

Session C consists of four parts, first a formal Sessions C meeting is held, then an EMS report is written, a 360° Feedback is given and then the employee is ranked in the 9 Block/Vitality Curve.\(^{189}\)

The EMS (Employee Management System) report is GE’s Performance Measurement Framework. The EMS consists of measuring accomplishments, strengths, development needs, career interests and producing a development plan.\(^{190}\) The EMS also feeds the Sessions C analysis, beginning in December with the EMS report, and wrapping up with Session C in May. After this there is also a Mid-year follow-up review in August, where GE reviews their actions, and assesses changes that has occurred since January as well as identifies and assesses gaps that have occurred.\(^{191}\)

The 360 Degree Feedback is a questionnaire that focuses on assessing leadership behaviors, where feedback is provided from the direct manager, internal/external customer or suppliers, co-workers and from direct reports.\(^{192}\)

---

185 Interview with Klas, GE Healthcare Umeå.
188 http://www.amcham.co.nz/Presentations/Steve%20Sargant%20Amcham%20NZ%2031%20May%202006.pdf
191 http://www.amcham.co.nz/Presentations/Steve%20Sargant%20Amcham%20NZ%2031%20May%202006.pdf
The Vitality Curve / 9 Block is a tool for differentiating and assessing the performance and talent of individual employees. This tool enables GE to differentiate their employees from the very best to the least effective and controlling the effectiveness of the company. It is also a tool for succession planning and leadership development. Employees are rated according to talent (Steady, Evolving leader, High Potential) and performance (Needs improvement, Meets expectations, Exceeds expectations) in a 9-block matrix. The vitality curve is part of the performance rating guide, and means that the distribution of the employees should be according to a pareto distribution with 10% at the bottom, 70% as highly valued and 20% as top talents.

These processes aims to develop the leaders GE needs and wants to achieve their growth goals. They focuses on developing five growth traits that they see as important for long-term success. These are External Focus, Clear thinking, Imagination, Inclusiveness and Expertise.

5.2.2 GE Leadership bands
GE has three levels, or “bands” into which their employees are divided. The first, and top band, are the Leadership Band. Here are the leaders of the organization situated. Below this band is the Professional Band, where the white-collar workers and production managers are located. And the final band is the Associate Band, which is where the blue-collar workers are situated. Which band an employee belongs is also directing the salary of the employee.

5.3 Respondent presentation
Since all of our respondents are anonymous, we have not included a background for them. Furthermore, all the names given are assumed. Their position as manager, white-collar or blue-collar worker is accurate, since this is imperative to show eventual gaps in our analysis and conclusions.

Managers
Klas
Åsa
Roger
Bengt Krister

White-collar workers
Sofia
Peder
Mattias
Lars

Blue-collar workers
Sanna
Hans
Lena

194 http://www.amcham.co.nz/Presentations/Steve%20Sargent%20Amcham%20NZ%2031%20May%202006.pdf
196 Interview with Åsa, GE Healthcare, Umeå
5.4 Empirical Presentation

5.4.1 HRM

Managers

Klas
Klas says that with GE, the process of developing co-workers has become much clearer. This becomes a central part of the whole package as he puts it. Klas says that GE cannot realize their strategies if they do not have co-workers whose goals are aligned with their S-1 and S-2, and that have the right knowledge and education. When discussing the GE raise track he points out that they are only on their second year of implementation as is, and that they are still suffering some growth pains. He says that the knowledge levels are rather good down to the professional band, that is the white-collar workers and line-managers. Among the 450 employees the knowledge is good amongst the first 150, but after that it becomes a bit more diffuse as they are still in the implementation phase of these systems.

Åsa
Åsa says that there is a big difference between traditional Swedish companies with management and collective workers, and GE’s leadership bands. In GE’s world, it is important what band one belongs to and this also determines the salary level. When describing Sessions C, Åsa says that the whole system differs dramatically from the Swedish organizational culture. Åsa also points out that since GE as a company is still new in Umeå, they have chosen only to implement the system on the white-collar and manager level so far. Because of this, the associate band is not brought forward in the same way.

Roger
Roger says that HR’s work has become much more structured after the transition to GE.

“GE has a wheel with a number of time spokes which should take place at given times throughout the year, with everything from co-worker talks to goal setting and written results. There is a structure and a conformity in all HR work.”

Bengt
Bengt says that he does not experience any specific HR-strategies at GE Healthcare, but he does think that there is a higher focus on the continuous development of the co-workers, and a larger focus on the individual than before.

Krister
Krister also thinks that both the HR-strategies and the individual have become more visible in the organization. He thinks that two most legible HR strategies in GE are Session C and the EMS.

White-collar workers
Sofia
Sofia says that GE’s HR strategies are rather American as far as she knows. She also thinks that GE’s strategies can become somewhat generalized as there are so many employees. But the ability to handle such vast quantities of employees is also a strength. Sofia says that GE Healthcare is in an integration process and the speed of that process has increased significantly in the last year.
She thinks that this is positive because if GE Healthcare wishes to survive and grow as a unit they have to play by the book, and become an integral part of the GE group.

**Peder**

Peder describes GE Healthcare in Umeå as rather unique at the moment, but that GE’s wish is to have conformity throughout the organization. In Umeå there are special contracts and a different bonus system. He also says that in GE, there is a thought behind everything but this does not always matches their reality perfectly.

**Mattias**

Mattias feels that the HR processes have become significantly more Americanized and bureaucratic. There are many processes in place although he does not feel that they are related to a need, or add any value to the organization or the customer. Everything has become more hierarchical and management oriented and the focus now is on evaluating the co-worker and reporting upwards. He adds that he thinks that can be because the strategies and goals are not communicated clearly enough to the individual.

**Lars**

Lars likes GE’s HR-strategies and says that they are good at recognizing persons that have done a good job. He also says that they have more internal educations now, and gives GE’s security, health, and environment educations as examples of extensive education programs.

**Blue-collar workers**

**Sanna**

Sanna feel that there are many opportunities to try different work-tasks in GE, and that she is not constricted to the same tasks all the time. But the control, demands and rules have become much harder in her opinion, and a lot of new safety-equipment has been introduced. She also feels that because GE is an American company there are many rules that do not exist in Sweden and that maybe has not been needed before.

**Hans**

Hans thinks that there are big differences in how things are perceived depending on if a person is employed in production or not. Hans has also seen a transition to line-production, with higher demands and a higher focus on profit. He says that this is a continuous process and that they are not quite into it yet.

He does not see that there is a “golden middle-road” to walk. Furthermore, he also sees some waterproof bulk heads within the organization and between the labor unions as they differ very much. As the company is in a phase where GE has many things they want to implement, Hans also feels that the focus is on production and goals and that motivation and job satisfaction so far has not been prioritized.

**Lena**

Lena feels that the company has become more top-down managed and that control and decision-making are more complicated than before. She also feels that the goals set by the company are so hard to reach that they will not receive any bonuses. She also feels that the increased focus on security and protocols is good in theory, but that all the administrative functions makes the employees loose focus and get less time over for actual work.
5.4.2 Organizational culture and change

Managers

Klas

Klas says that GE is characterized by a high-performance culture. And as he puts it:

“It is no coincidence that GE has been number one on Dow-Jones Index since the end of the 19th century, and for the seventh year in a row has been named the worlds most successful company. You do not become that unless you have a very clear view of co-workership and how you want to deal with your co-workers.”

He also says that writing a resume of your achievements once a year is not exactly “archetypically Swedish”, and it is not exactly a part of the mentality of northern Sweden to boast your self up when writing. But he says that it is not about boasting, but about the importance of having clear personal goals. He also says that within GE, you have to be able to utilize all the five growth traits maximally. He resembles the traits to the points of a crown, where all the points have to be in balance or the crown will tip over. Klas has experienced the organizational change as very positive.

Åsa

Åsa says that GE Healthcare is similar in a way to other old industries in northern Sweden with a strong labor union and a more conflict oriented union co-operation. This has changed a lot though, and she says that generally speaking it is not like that today. There has been quite a large difference in the transition to GE with their American way in comparison with northern Sweden, even though earlier owners such as Amersham and Pharmacia have also influenced the workplace. Åsa also points to the fact that there is a big difference between working in a manufacturing industry as in Umeå, compared with Uppsala where they work with research and development. In Umeå they are governed more by what they need to produce, sales, and to make as large profits as possible, as compared with the less result oriented demands on research and development. These things make for a larger difference in company culture than different GE-structures or processes does. Things work in one way in a manufacturing industry and another in a development industry. Åsa says that in GE’s world, there is overall a huge focus on leadership and how a leader should be, with the growth traits. She also thinks that because of the very strong organizational culture you are affected very quickly and become “GE-fied”.

Roger

With the transition GE, Roger feels that things have become more internationalized, and signing and documentation systems have become much clearer than in Sweden. This is something he has also seen in other companies around them that has foreign ownership. He also thinks that there are more responsibilities now and that he as a manager is more reminded about his responsibility. He does not think that the system as such has become more individualized, but it is more focused and clearer as far as accountability is concerned.

Bengt

Bengt has been both in Uppsala and USA, and he has experienced the organization as the same everywhere, with one organizational culture. He also says that GE’s organization has several leadership bands with management on top and the collective at the bottom, and that is far more hierarchical then it was during the time with Amersham.
However, he thinks that GE in Sweden has tried to adjust to the Swedish model to some extent with a focus on teamwork. In USA he experienced it as far more hierarchical, where a manager would always be involved in every decision, so in regards to hierarchy Bengt did experience a large difference between Sweden and USA.

**Krister**

Krister says that he has experienced a difference between how employees answer their E360’s in USA when compared with Sweden. They answer these differently in USA then in Sweden, and they are more comfortable in saying that they have done a really great performance. Krister says that in Sweden people would not say that they did more then a good performance.

**White-collar workers**

**Sofia**

Sofia experiences that an American company culture is much more individualized than the Swedish, and she says that in Sweden everything should be equal for everyone and there is a bit of the Swedish “jante-law”. She thinks that there are American elements in GE’s organizational culture, but that these have become somewhat more Swedish. Sofia thinks that GE’s culture is fun and challenging, and she does not perceive it as being hierarchical but rather that the manager should not be more than others, and that the structure is quite flat. She also feels this when viewing web casts of top executives in the way that they dress and act.

**Peder**

Peder says that he has experienced a clear change after the transition to GE, among other things through the number of security educations, paperwork and long decision processes for ordering articles or computers. From his co-workers he gets the impression that the organization has become more layered and more administrative. Peder also feels a greater sense of security in the fact that GE Health care Umeå belongs to the GE group that is one of the largest companies in the world, as compared to Amersham where he felt that things were more insecure. The size also makes purchasing easier through better contacts and lower purchasing costs.

**Mattias**

Mattias feels that GE Healthcare has an American culture and he is surprised how fast the workplace became Americanized and “Americanified”. He says that before GE, there was also place for those without leadership ambitions, but within GE it is almost a demand to strive for a career and to have that as a focus. He feels that the purpose of GE is about climbing the hierarchical ladder. Mattias thinks that GE’s visions suits him well and it is important for him to feel that he plays a relevant role in other peoples lives through what he does. However, he also adds that GE does not always fulfill their visions and takes the value “simplicity” as an example. He thinks that everything in GE is infinitely more complicated then it was before. But he adds that it might be simplified seen from their perspective. He says that the structures within GE are the same everywhere, and he does not think there is any difference in strategies between Umeå and Uppsala. He also says that in principal it is not allowed to have different strategies within the GE group.

**Lars**

Lars experienced that with the transition to GE, the level of administrative work increased a lot with more documents and educations. He says that in a way it feels like they got more to do, but are supposed to manage everything during their regular working hours.
During an education in Uppsala he was informed about the company vision and values, and that he felt that this was a way to become “GE-schooled”. He sees himself as being “GE-schooled” and he buys into GE’s concept. Lars also like working in such a large company because of all the possibilities for him as an individual.

**Blue-collar workers**

**Sanna**
Sanna does not think that the organization has been affected that much in the transition but she thinks that there is much more control now, and this results in more stress. She thinks there is a difference in the mentality and ways of doing things within GE as an American company, and gives as an example how other countries will help them in order handling.

**Hans**
Hans feels that the company has become more top-down controlled and Americanized after the transition, but that recent organizational changes have attempted to widen and flatten the organization. He also says that it has been the intention of the plant manager to speed up the organization with regards to reporting, hierarchical levels, and making it easier to run. Although GE has a high focus on individuals, Hans still works mainly in teams and the “Swedish” model is prevalent. He sees a cultural crash between the Swedish and American ways of working, but in the end it is the collective that will contribute to the results and not the individual.

**Lena**
Lena feels that the organization has become more hierarchical and controlled after the transition. She also says that much information and many educations are given in GE are in English, and she thinks it would be helpful if more information were in Swedish.

### 5.4.3 Reward and recognition strategies

**Managers**

**Klas**
Klas thinks that reward and recognition strategies are very different in the US than in Sweden. He explains that when an employee shows a good performance in a company in Sweden he mostly gets a pat on the back, a movie ticket or something similar. In US on the other hand, they go all out with different systems like where the employee of the month get his/her own parking lot closest to the companies entrance, and he thinks that this kind of regarding could not work in Sweden.

“We have to find our own way of doing it. (rewarding) We can not copy the reward systems that exists in the US and think that it will work here as well.”

Klas mentions that “dinner for two” is one of the things that they have used lately and that has been very appreciated among employees. He continues to explain that people think that it is expensive to go out for a dinner and with this system they can invite an extra person, which is an extra bonus. In addition to this, Klas mentions three quarterly awards, for best environmental work, best productivity and for best contribution. This has been done during 2006, and sometimes there have been individuals that have not wanted to come up and receive their award, as they are ashamed in front of their co-workers and feel singled out.
Klas explains that it is important to have both information circulars and one to one talks for a good mix in communication. If you want this system to be very effective for the co-workers, it is best to give this information three times and in three ways. One time you get credit from your colleagues, one time from your supervisor and also recognition from another manager in the company. If an employee gets all these three sources of feedback, it is the biggest single boost you can get according to Klas. He also mentions that it is difficult to put this into a system, but if you succeed it is incredibly effective.

“A salary raise only warms in your pocket during the first month. Feedback from your manager and your colleagues keeps you warm everyday and does not cost a thing”

Åsa
Åsa says that the leadership band that you are in has a direct effect on your salary. She explains that when it concerns communication with her co-workers, she has a very small group and that’s why their communication occurs very openly and straight, and they have regular one to one talks. They also have more formal meetings and EMS conversations. Åsa is part of a management team, but she also works individually. She experiences that recognitions are mostly given individually, but in production departments recognition is mostly team-oriented.

What GE wants and believes is that individuals should become more visible and be rewarded more individually, and it causes a cultural chock among employees, especially in northern Sweden where the collectivistic culture is more common. It is more difficult to handle individual rewarding where people are not used to being singled out from the collective. The labor union is not so positive about the individual rewarding either says Åsa. But she explains that they have been developing a payment system for the blue-collar workers, which is clearly concentrated on individual basis. She adds that they have had this system longer among white-collar workers.

“I try to let them know when they have done a good job, and I try to coach them and support them when they think things can be difficult. I try to inform them as much as possible, in that way they feel that they are on track and know what’s going on.”

Information is always a difficult part, and Åsa says that even though several information systems exists in the company, there are always people that can feel they do not receive as much information as they desire.

Roger
According to Roger GE gives reward and recognitions by salary, and by giving information and knowledge to the managers about how GE works. Roger thinks that managers have to be supportive, both regarding rewards and unexpected things and he adds that HR’s work has become more structured after the transition. When it comes to reward and recognitions and how these influence job satisfaction and motivation among co-workers, Roger says money is an important factor but he also adds that it is important to make the co-workers visible.

“In Sweden it has traditionally been seen as somewhat taboo to stand out.”

Roger gives an interesting example of rewarding in IKEA, South Africa. IKEA chooses an “employee of the month” among their co-workers that gets a special parking lot closest to the entrance. Roger thinks that this kind of rewarding would not work in Sweden.
Roger explains that GE has a system for improving work tasks and work environment, and presents quarterly rewards. These rewards are presented at bigger information venues or employee events to those that have accomplished a good job. Roger explains that these individual rewards created some jealousy in the beginning, and people asked themselves why they had not been chosen instead. This is a reason why Roger always thinks twice before he gives out any rewards, and considers if he should give it individually or to a group. He adds that the reasons why someone is given an award always have to be presented clearly and with valid reasons.

He also that they have one to one talks in GE once a year between the managers and co-workers aiming to increase the motivation, and some managers also have group conversations. As a manager you are also evaluated on these annual conversations. For white-collar workers these evaluations are written and stored electronically via the EMS. After the action plan has been set in the EMS, you have to have a continuous dialogue during the rest of the year but these are not scheduled. There is no such system in place for the blue-collar workers yet, but Roger explains that this is their second year and they will implement this system to the collective as soon as possible. He continues to explain that it is easier for the managers and white-collar workers because they are not as many and they are more used to write this kind of reports and documents.

Roger communicates with his co-workers partly through scheduled information meetings every other week and besides that he also talks with his co-workers every morning and check how everything works in the group. Roger shows his appreciation verbally and gives feedback to his co-workers on what works and not. There are also rewards such as movie tickets or dinners and these rewards are sometimes for a group and sometimes for individuals. Roger also mentions that he does not have any problems with jealousy in his group.

“Group rewards used to be problematic, where they looked sideways on each other. It was a bit taboo to stand out. But that is working now might be about that we have kept on with it...and about acceptance”

He says that when it comes to handle dissatisfaction among co-workers, he solves this via one to one talks. They try to find solutions together and try different job tasks. Through these discussions Roger tries to find the work assignments that the employees enjoys most, and he says that it is all about communication.

Bengt
Individual recognitions as employee of the month are very structured in GE. As a manager, you need to give nominations to co-workers that accomplished a good job, but Bengt says that this attitude does not really work well in Swedish culture. In GE Health Care, they have tried to establish a system somewhere in between. They have tried to adapt this kind of system but have not bought into it completely. Bengt gives an example that people who shows a good performance are awarded to go to the GE-gala. He explains that nominations can only be given from managers to co-workers but he mentions again that it is difficult to adopt this kind of things in Swedish culture where co-workers can feel singled out from the group.

Bengt explains that in regards to reward and recognition there exists some differences in focus between blue-collar workers (assembler, tester etc.) and white-collar workers (production technicians, project managers etc.), they work in two different ways.
He explains that in Sweden, they are dependent on the central agreements with Metall, SIF etc, and these agreements have different directions. GE’s way is more about pushing for individual performance while in Sweden it is more aimed towards team-work, and Bengt thinks that it is difficult to find a balance between these two. For white-collar workers, it has become more individually oriented after the transition where they have individual salary negotiations, while for blue-collar workers they are more dependent on central agreements.

Regarding the different leadership bands in GE, Bengt says that on first bands you have a bonus on individual level and the collective bonus starts in the associate band, and this system is unique for Sweden. He mostly rewards on a group level, such as dinners, but seldom on an individual level. He also thinks that the group feeling provided by the rewards increases the motivation and job satisfaction. He thinks that it is important to adopt GE’s model to a Swedish model. He says that it is not easy, because in Sweden they work mostly in teams. He says it is easy to give team rewards, but on an individual level “the Swedish jealousy” can occur and co-workers can be annoyed, and he thinks that how you adopt it and where to put the bar is a difficult process.

Krister

Krister thinks that feedback is very important and even more so than the salary. He thinks to have a communication and have a grip about your co-workers is central. Regarding the communication with and between co-workers, Krister thinks that it is hard to get co-workers to say anything about each other. He thinks that it would be best if they could sit in the team and discuss each other and their personality but they are not quite there yet. He thinks that this is reflected in the EMS where he seldom sees anyone writing about their own behaviors in regards to their development needs. Krister definably thinks that there should be 360 conversations within the teams, and he himself uses the 360 to get feedback from his co-workers.

Regarding individual reward and recognitions, Krister says that in Sweden and northern Sweden it is not really accepted to reward or recognize an individual in front of his/her co-workers. He has not used this in his group yet but he wants to and he says that he will. He thinks that there exist tendencies where people complain about these individual rewards. This jealousy occurs because of this collectivistic mentality in Sweden and it causes conflicts with American individual mentality.

Krister thinks that it is good to introduce more rewards, for instance more individual rewards as to get a bike, and he thinks that the other co-workers should be happy for their colleagues’ sake. But this mentality does not quite exist yet. He sees a positive trend however through the use of regular rewards. He says that their quarterly rewards have become more and more positively received. He continues to explain that they work mostly in teams, and even a lot with projects, and there it is easier to arrange events like kick-off dinners or a trip to Uppsala office. He also has EMS and a salary talks once a year with his co-workers. He thinks that if you have a close relationship with your co-workers, you have these one to one talks more often. He would prefer to have them around three times a year and have deeper conversations.

Krister has also seen very marked improvements among his co-workers when they have worked with their EMS, and he thinks this is a good example of what feedback can do. Krister does not think that the salary is the most important factor for employee performance, to feel satisfied at work or feel motivated.
White-collar workers

Sofia

Sofia thinks that GE is very good at giving rewards to those who make an effort. She explains that in GE they have a quarterly reward system and you get feedback from your managers if an individual in the group showed a very good performance. These individual or group rewards can be given as a diploma or with some hockey ticket or dinner for two.

She thinks that GE’s digital communication is good and works well for those who are used to using computers and have them as their natural working environment. If you do not have that, then the nearest manager is often the source of information. Sofia adds that it has been a lot of changes in the company and it is important to decide which messages that are most relevant and how to communicate these.

“One of the most important goals of communication now is to try to get the company culture and values across and that change is a part of that culture, to make people feel secure and comfortable even with those changes.”

Peder

Peder thinks that the reward and recognition that he receives corresponds to his performance. There are areas in GE that could be improved such as feedback, salary etc. and he gives the salary differences between the GE in Umeå and in Uppsala as an example. He thinks that they do not earn the same amount here for the same job. But he also says that salary levels are lower in northern than in southern Sweden.

Peder explains that individual reward systems among white-collar workers are more common, but most of the time it is the same persons that get these rewards. Blue-collar workers receive mostly group rewards. Peder thinks that he receives adequate amounts of information about GE’s goals and situation. He thinks that his colleagues also receive adequate information as well through scheduled big meetings. He mentions the EMS conversations as well and he had these conversations twice, and he thinks that every conversation with the manager influences their relationship positively.

Mattias

Mattias does not think that the reward and recognition corresponds to the job he performs. However he thinks that the system has become more structured regarding feedback, with once a year talks for instance. Mattias has one to one talks with his managers but this is nothing new for him since he has had such talks before the transition as well, but he adds at the same time that they are little bit different in GE. Mattias works mostly in teams but reward and recognition are mostly given on an individual level, but he also mentions that it depends on the type of reward.

Regarding salary and monetary rewards, these are mostly given on an individual level, while recognition and appreciation for work performance are given more informally and are more group oriented. These rewards are for example cakes or movie tickets.

Mattias did not experience any jealousy or problem in the groups he has been part of when someone received an individual reward. Besides one to one talks per year, Mattias says that he has informal improvement conversations with his manager, and he finds these conversations very positive.
Mattias thinks that GE’s reward and recognition system is excellent. The only problem is that there is not enough capital in the system to make a difference. Mattias feels that the EMS structure builds on a lack of team feeling where performances are appraised on an individual level and not a group level. He thinks that teamwork is important and where you create things together. Mattias thinks that there is a demand to make a career and to climb up the hierarchy in GE, but he feels that not all co-workers wants to make a career, and this is especially more common in the northern part of Sweden.

“The only way to promote or reward a good employee is to make him a manager, but he does not want to. Alternative carrier ways are missing.”

He finishes to say that this problem does not only exists in GE, they have had this problem before the transition, but he experience that there were more alternative carrier paths before.

**Lars**

Lars thinks that the reward and recognition that he receives corresponds to the job that he performs and he receives good feedback.

“You have been recognized for your achievements and have been given feedback on that. To get this feedback you need to have the chance to show yourself, and not everybody get this opportunity”

Lars did not have any scheduled one to one talks because his manager has changed recently, but on the other hand he has a continuous dialogue with his managers. Lars gives a trip to Stockholm, going to the GE-gala, dinner for two etc. as examples of rewards in GE. He did not hear anything negative about these individual rewards or that they created any problems in the group. He thinks that if you show that you are good, you should receive something for it.

Lars says that he receives a lot of information about GE’s goals and visions, and sometimes he even feels that he receives too much information, but he also adds that it is good to have a whole picture of the company and where it stands. Lars thinks that it is also fun to read about a colleague that did a good job.

Regarding salary he thinks that it should correspond to the job he performs and he thinks that salary is an important reward.

“Salary is a language that everyone can speak”

**Blue-collar workers**

**Sanna**

Sanna would like to see more reward and recognition and above all she wants to see more appreciation. Sanna thinks that they do not get adequate information about the company, and she adds that they do not receive the information that they want and when they need it.

Sanna works in a team and rewards are for the group, not individually based. But she would like to receive more individual rewards. Sanna does not have scheduled one to one talks and she thinks that it is needed. When it comes to the feedback, she does not receive any from her managers but she discusses often with her co-workers about improvements and what is working well and not working well etc. She thinks that the situation is a little upside down where they give the information to the management instead of the other way around.
The bonus system has not worked well in recent years according to Sanna. She wants to have more scheduled meetings. For her it is important to have information about how all the products go further, and to see the product as a whole, how it is used and so on. Information is given from managers and they have TV screens outside of the departments where they can read the updates.

**Hans**
Hans feels that there is a cultural difference between the American and Swedish ways of rewarding employees. In America, rewards are given on an individual level but in Sweden on a group level. He thinks that there is a mix between these two systems in GE Healthcare. Regarding GE’s reward and recognition, Hans does not have a problem with individual rewards, but he thinks that hefty collective rewards are missing, such as bonuses connected to delivery of finished products.

Regarding motivation and job satisfaction Hans thinks that there must be a clear link between the job you have performed and how you are rewarded. He says that if you perform above a certain average, you should be heftily rewarded, for example through bonus systems. As far as non-monetary rewards and recognition, the possibilities are there but they are a bit too arbitrary. He does not see any clear rules of how the reward system should be used, and he thinks that there are no clear specifications on why an individual is rewarded.

**Lena**
Lena says that in her department rewards are always given to the team. Lena does not feel that the organization appreciates her competences and experience, or that she is given enough challenges in her job.

She also thinks that there are a lot of meetings, but she does not receive any feedback from them. They set goals for the group during the meetings, but she says there is a problem in following up on what happens in the company and with her individual goals. She would like to see more in-house trainings, especially English and computer courses, since much of the information is in English and they use computers in their daily work.

Lena thinks that there should be rewards for smaller things, and not just in relation to larger product deliveries. She also says that there are many rewards in GE, but the difficulty lies in motivating why a particular person receives a reward and not someone else.

### 5.4.4 Motivation and Job Satisfaction

**Managers**

**Klas**
Klas thinks that the transition to GE and the changes it has entailed are positive. He has worked in this manner before GE, with coaching talks, so for him GE’s system feels natural and a bit like a gift from above. However, he does not think that the individual worker experiences the new system only positively.

According to Klas, writing an EMS is not a problem for a co-worker who is forward as an individual and wants to have a career. He thinks that those without such ambitions, that have worked for a long time and is content with their situation, have a harder time seeing the added value of this system.
Klas feels that his competences and experiences are appreciated by the organization. He also thinks that employee engagement is important to work with, and is becoming more and more established. He speculates around why this is important and says that during the 80’s organizations were more centralized, managers were nearby and everyone was working in the same organizational unit, with clear organizational structures. During the 90’s it was more about inspiring than managing. Today organizations have become looser and the manager might not be in the same building or even the same country, and colleagues can also be spread around the world. It is about building relationships, trust and communication.

Åsa
Åsa says that GE uses many reward systems to affect the motivation and job satisfaction for their employees. The salary is one motivator, amongst other things because of the different evaluations systems GE uses and that the performance is linked to the salary level. GE has a strong career focus, but she says that the co-workers that are not interested in making a career should not feel forced to do so, or get a lower evaluation because of this. According to Åsa you can do a good job but not be interested in making a career.

If an employee shows dissatisfaction, the problems are first addressed through one-to-one talks with the closest manager. If this is not enough, GE Healthcare also has their own health-coach that also functions as an unofficial therapist for many. The employee can also turn to the labor union for support and advice, after which the labor union has a meeting with the company executives. Åsa thinks that people can be motivated in different ways. Some are motivated by salary and it is enough for them. Some get motivation from rewards, developing job tasks, some wants to hear from their managers that he or she is very good, and some get motivated by long vacations or time off.

“The thing that motivates you to go to work is how you enjoy being there. It depends on your colleagues, your relationship with your manager, the organization itself, how it works and how visible you can become. If you become visible, receive recognition and if everything works around you, then you get motivated and enjoy your work”

Roger
Roger says that the salary is always important for motivation and job satisfaction amongst co-workers, but it is also important to make them visible. He says that the personal development talks is a way to increase motivation, and for the white-collar workers this is done electronically through the EMS but that presently there is no such system for the blue-collar workers.

If a co-worker is dissatisfied they try to solve this through discussions to find solutions to the problem and maybe find different work assignments. Roger tries to create conditions for comfort through good communication.

“I think that I hopefully motivate my co-workers largely by showing my engagement, closeness and support them when they have questions and try to help them back on track so to speak”

Roger thinks that his competences and experiences is well appreciated in GE, and he gets his motivation and satisfaction largely through communication with his manager where he gets feedback on how he performs. His work motivation also comes from working with personnel and technical issues and his personal development.
He also thinks that a fair salary system and good individual rewards that corresponds to the difficulty-level of the work and performance is the best motivator, and he thinks GE has been good at developing such systems.

**Bengt**

Bengt says that there is a strong focus on possible career-paths in GE, and it is linked to motivation and job satisfaction. If someone does a good job, they have good opportunities to go forward in the organization if they want to. He also says that the team feeling is supported by giving team rewards and helps to build motivation and satisfaction.

Bengt says that as far as the job tasks and their influence on motivation, there is a big difference between individuals. Some want to do a good job and nothing more, and they feel secure in this role and do not want to try anything new. These individuals need to be encouraged to broaden themselves. He also feels that GE appreciates his competence and experience, and the salary is a carrot that motivates him. But it is also important to have a good dialogue with his managers to receive positive and negative feedback. This is how he gets motivated and how he in turn motivates his co-workers. Bengt adds that the single most important thing for his job satisfaction and motivation is to have an interesting and challenging job.

**Krister**

Krister describes the E360 as an incredibly simple but powerful tool for him as an individual, and a perfect way to receive personal feedback. This has had an immense impact on his motivation and job satisfaction.

"I think that feedback is developing. It gives me the possibility to do things differently, to think in another way…"

Regarding what affects motivation and job satisfaction with co-workers, Krister says that even though he believes the salary is influential, he thinks feedback is the most important thing. To have good communication and a grip on the co-worker is essential. He feels that he needs to be involved in his co-workers jobs and be very operative as a person, and that he has gained this way of thinking since it is so clear within GE. Krister definably feels that GE values his competences and experiences through the career opportunities and educations he has received. But he says that what develops him the most, is not to participate in an education, but to receive challenges and to get credit for accomplishing them. For his motivation and satisfaction, it is important to be a part of deciding how the work should be done.

"I want to be a part of the ball game… not standing at the goal and wait for the ball to come… I want to take part in deciding how we get the ball towards goal."

Another thing that motivates Krister in his work apart from feedback and challenges is to present results. He also thinks it is incredibly fun to watch people grow from a normal achiever to a top performer. Krister does not think that the salary is the most important thing for an individual to perform well, or to feel satisfied or motivated.

"Most people say that the salary is very important…that this is what makes you perform well. I do not buy that. The salary is only important and motivates or demotivates you once a year."
The salary is in the centre and is important during the salary negotiations, and Krister does not think that salary affects anyone positively or negatively more then once a year. Among his co-workers he does not see that it is the salary that drives them, but rather it is the will to do their job and the satisfaction of having done it well. Krister is convinced that knowing you have done a good job is the single largest motivator and driving force.

**White-collar workers**

**Sofia**

Sofia is motivated by the career opportunities within GE, and working in GE and that the company culture has become more visible has also affected her motivation and job satisfaction positively. She says that she always has the opportunity to communicate with her manager, and this affects her job satisfaction positively.

Sofia says that the opportunities to develop herself, and receiving challenges that you can accomplish is what most affects her motivation and job satisfaction, and it is also important for her to receive feedback on her performance so she knows how she is doing.

**Peder**

Peder says that he is motivated by his work tasks and that they are not just administrative but also creative. Co-workers, environment and salary are other parts that also motivate him. Peder also feels that his closest manager appreciates his competences and experiences. He says that the recent organizational change may make one feel as only one among many, which he feels affects the work motivation negatively.

Peder feels that GE’s strong organizational culture and that they have been in the business for a long time, affects his motivation positively. According to him co-workers and the closest manager, salary, and environment all affect motivation. The work assignments need to be varied and motivating. Also, Peder says that co-workers and work assignments are more important than the salary or the manager in the long run.

**Mattias**

Mattias says that challenging work assignments is the most important thing for his motivation and job satisfaction. He says that the higher hierarchy and bureaucracy in GE have affected his motivation negatively. He feels they have less time to do things that are good from a business perspective and spends more time on satisfying the formality of the processes.

Mattias also says that whether or not the company appreciates his experience and competences depends on the situation. He can influence his work assignments, and this feels natural for him and does not affect his motivation and job satisfaction to any large extent. However, if this were not possible he would experience that as very negative and as an obstacle. Regarding salary differences between top performance and average performance, Mattias says that after all general deductions, and a special Umeå-deduction have been made, the difference in salary is so insignificant that the extra money earned by top-performing is not an incentive or an increase for motivation. Mattias feels that people take great pride in their work and they want to do a god job, and he does not think that salary is the driving factor.

“There are many other things that are more important than salary, however salary is the largest individual cause of discomfort. The important thing is not to have a high salary, but to have a salary that you think is relevant for the work you perform.”

56
Lars
Challenges are what make Lars motivated in his work. His present position is not so challenging, but he tries to find new challenges. He says that he receives good feedback and this also motivates him. Lars thinks that GE appreciates his competence and experience. He has participated in leadership educations and feels that GE is willing to invest in him and expects something in return. To be a part of things when they happen is the most important factor influencing his motivation and job satisfaction. He feels generally good about the present situation, and thinks the important thing is being asked about his opinion and not passed over.

Blue-collar workers
Sanna
Sanna enjoys her work assignments, and says that everyone also appreciates the flexible working hours and the good salary. To be able to try new things and different job tasks also motivates her, but the thing that she sees as most important is information and having a bigger picture of what happens in the company. She also thinks that management needs to give more reward and recognition to employees.

Hans
What motivate Hans in his work are the job content, variation, and type of reward and bonuses he receives. He wants a fair salary for the job he performs. Hans does not feel that GE fully appreciates and utilizes his experiences and competences. According to Hans, he could be in many different activities in the company, both with regards to his computer skills and educational background. He does not feel that he receives enough challenges in his job and has the opportunities to develop himself that he personally prefers. Neither him nor his co-workers have had any development talks with their managers and he thinks that is a big problem.

Hans also thinks that leadership and management can have a huge effect on motivation and job satisfaction, especially regarding encouragement and the way you feel about your job.

“The difference is like night and day between having a good or a bad manager”

Lena
Lena thinks that her salary is what motivates her the most in her work. She also thinks that the working hours are very good and there are many other benefits such as free dental care, health care, optical assistance and free coffee bread. She also feels that her closest managers show her their appreciation. She feels that the company has become more top-down managed and there is much more control than before. This has affected her motivation and job satisfaction negatively. On the other hand, educations, development of her job assignments and the chance to apply for different jobs all affect her motivation and job satisfaction positively.

She also says it would be more motivating if they got a clear explanation why someone receives a reward. That would help them understand how they themselves could obtain that reward.
6. ANALYSIS

In this chapter we will analyze our empirical data and connect the results to our theoretical framework. The analysis follows the same flow as our theoretical framework.

6.1 HRM – Human Resource Management

General Electric has a long history, and as they were established in America as early as 1892, which means that they have experienced the development of HRM from its very start. We can only assume that GE’s approach to HR management have developed along the same lines as the theoretical field.

6.1.1 HRM versus Personnel Management

GE’s HR-Management is focused on individual performance and on developing leaders that can help them reach their organizational goals. GE wants to develop leaders that fulfill their five growth traits. We think that the strong individual and performance focus in GE suggests that they have a strong HRM approach. Their performance evaluation system is very strategic in nature and the system is used throughout all levels of the organization.

All respondents agreed that GE has a high focus and expectations on the individual performance. The managerial respondents think that it is important to have employees with the right knowledge and education, and whose goals are aligned with the company goals. Otherwise, they cannot realize the company strategies. We think that this also supports our analysis of GE having a HRM approach as opposed to a personnel management approach.

6.1.2 HR partner perspective and HR IT-systems

GE’s session C and internal career systems are very structured and most HR strategies are coordinated virtually through IT-systems. This corresponds well with what Lawler says about larger organization being more likely to use large IT-structures and organizational-wide HR-systems. GE uses the same HR-systems all over the world. Furthermore, GE focuses on the individual for strategic development, and not merely as human capital, and in that way they take on the HR partner perspective.

6.1.3 Soft versus Hard HRM

We do not think that what GE uses neither soft nor hard HRM exclusively. GE does have a strong focus on employee attitudes and commitment through their Sessions C and EMS system. According to our respondents there are a lot of internal educations in GE, and structured reward systems.

However, the intense focus on individual performance and appraisal and rewards connected to this performance suggest that GE also uses the hard HRM system, as presented in the human resource cycle. The hierarchical nature of GE’s American management is also something that we think is viewed as hard in Swedish working culture. Several respondents below management level felt that there was a high focus on productivity, formality, and reaching goals, and not on soft HRM values such as employee influence and individual well being.
6.2 Organizational culture & restructure

All respondents have experienced a change after the transition to GE. The managers speak mostly about how the managements systems have become clearer in GE. The employees have mostly experienced an increased level of hierarchy and control, and a feeling that the company has become more Americanized. The answers were diverse, and some experienced this change as being positive, while other thought it was negative.

Almost all respondents agree that GE’s organizational culture is more individualized, and most thinks that this clashes with traditional Swedish working culture. One manager also thinks that there exists a difference between being a manufacturing industry as compared with being a development industry. These differences affect company culture more than different GE structures.

According to our theory, Swedish and American working culture, with their different focus on individualism and collectivism can create discrepancies. The respondents support this, as the majority of them have experienced the larger power distance, top-down control, higher complexity, and longer decisions processes after the organizational change as something negative. In general, the employees have experienced the change as more negative than management, and blue-collar workers more negative then white-collar workers.

According to our theory, a higher dissatisfaction among employees beneath managerial levels can be caused by managers and employees with higher-level educations having more development possibilities. Our empirical findings support this theory, as managers and white-collar workers in general experienced the transition to GE and its HR-strategies positively. Some respondents also feel that there has been a cultural clash between the Swedish team-oriented work culture, and the American individual based work culture.

In general, our analysis also show that managers have a higher awareness and knowledge of the organizational culture, and therefore it is not surprising that they would feel more comfortable and secure about the organizational change. We can see that the organizational awareness decreases and the negative experiences of the organizational transition increase as you move down the hierarchy of the organization.

6.3 Reward and recognitions strategies

GE’s reward and recognition system is very individual based, with Session C as a tracking tool. However, our analysis shows that GE have adapted to the Swedish collectivistic working culture to some extent. According to our respondents, both individual as well as group rewards exists in the company, which suggest a mix between American and Swedish reward systems.

6.3.1 Performance management and base salary

GE measures the performance of all employees on an annual basis, and this is then a foundation for salary increases. The manager Åsa, mentions that the salary you have in GE, is connected to what leadership band you are in, that is, what level in the organization you are in. The manager Bengt says that salary and bonuses are set on an individual level for managers and white-collar workers, but collectively for blue-collar workers, and that this is dependent on central agreements.
This suggests that GE’s individual salary system has been adapted to the working regulations in Sweden, and Umeå. However, the manager Åsa mentions that they have been negotiating a new salary agreement with the labor union, which is more individually based. This shows that the salary system in GE Healthcare is not solidified yet.

6.3.2 Promotions and performance rating

With their use of Session C and EMS, GE has a very structured system for measuring the performance of their employees. This system also works as a career and development database, as employees are obligated to note what kind of development opportunities they want and if they are willing to work abroad. This is a key to GE’s succession planning and leadership development.

Our analysis shows that this system is not yet in place throughout GE healthcare. Management explains that so far session C and the EMS system have only been rolled out to managers and white-collar workers. The reason for this, according to management, is that during the implementation phase, it is easier to deal with fewer employees that are also more used to working with these types of documents.

6.3.3 Bonus and other incentive programs

According to our respondents GE Healthcare has not been handing out any annual bonuses recently. One of the union-involved respondents also felt that there should be more collective rewards, such as a bonus connected to the delivery of finished products.

6.3.4 Special recognition

According to our theory special recognition such as employee of the month awards is often a problem in a collectivistic culture, possibly creating jealousy between employees when singling someone out from the collective. Our managerial respondents also support this theory, as they state that it has been hard to give recognition to individuals for their performance.

Often, employees feel uncomfortable in these situations. The employees say that they are mostly rewarded and recognized as a team, and not as individuals. However, the findings are not conclusive as some managers state that they have not had any problems with individual rewards in their teams. Klas also describes dinner-for-two tickets as having been very successful as an individual reward. Other examples of special recognition and rewards that are given in GE Healthcare are bicycles and trips to Stockholm and the GE-gala. Furthermore, GE has quarterly rewards that recognize those employees that have accomplished a good job. According to Klas it is a priority in GE to make the individual visible and engaging them through recognition.

6.3.5 Employee Benefits and Services

Our managerial respondents do not mention any specific employee benefits as a part of the reward and recognition system in GE. Blue-collar workers do mention free dental-care, free healthcare, flexible working hours, optical assistance and free coffee-bread as appreciated employee benefits. GE Healthcare also has a health coach that all employees and managers can visit.
6.3.6 Feedback and communication

Session C and the EMS one to one meetings are structured ways for the management to give feedback to their employees. It is also a way to communicate desired behaviors and competences to the employees. Our analysis show that this system is in place for management and white-collar workers, and that these respondents think that the system works well. All respondents agree that communication and information are important for motivation and job satisfaction, and many of the blue-collar workers want more feedback and better communication. This goes in line with the previous information about the EMS system not being in place for blue-collar workers. Our analysis show that there exists an information gap between management and white-collar workers and blue-collar workers. According to the strategic rewards framework, feedback is important since it affects both behaviors and focus, and reduces confusion and uncertainty in the organization. Our analysis shows that this lack of information has indeed caused some uncertainty and dissatisfaction among blue-collar workers.

According to Krister, he does have EMS talks once a year with his employees, and also a salary talk and continues informal communication. The white-collar respondents Mattias and Peder both mentions having had one to one talks with their managers. The manager Åsa says that even though Session C has not been implemented for the blue-collar workers, she has meetings with the managers where they can assess their co-workers.

Our analysis of this is that even though GE Healthcare has not officially implemented Session C throughout the whole organization, the knowledge is present amongst both managers and white-collar workers. It also seems that several managers do have informal one to one talks with their co-workers, even if they do not use the EMS report.

We believe that there can be a difference between how managers communicate with their co-workers, and how they keep them up to date. GE Healthcare has also opened a position for internal communication and communication strategies. In our analysis, this is further evidence that GE Healthcare sees a need for an increased focus on communication.

6.3.7 Reward and recognition strategies in teams

According to our analysis GE Healthcare reward and recognizes both teams and individuals, but in GE, there is a higher focus on the individual. According to the manager Åsa, rewards are mostly team oriented in production departments, and according to our theory, Swedish culture is collectivistic.

Our analysis is not conclusive in this part since some managers, like Bengt mentions problems with individual rewarding where the culture is more team-oriented. Other managers though, like Roger, say that group rewards used to be problematic in the beginning, and there was some jealousy from other people, but that this now have changed now. Roger also says that when a reward is given, it must also be supported by valid reasons. The need to provide information about why someone receives a reward is also raised by Lena, one of the blue-collar-workers.

Most of our respondents state that they are given group rewards. Our analysis is that GE Healthcare tries to reward both individuals and groups, and there does not seem to be a fixed system for this, but rather it is up to the managers to reward as they see best.
6.4 Motivation and job satisfaction

According to theory, hygiene factors (salary, supervision, organizational structure and environment) in themselves does not create satisfaction or increase motivation, but the absence of them will act de-motivating and cause dissatisfaction. Our empirical findings support this to some extent. Many of our respondents do mention salary as a motivator, but most say the want a fair salary for the job they perform. Many see the increased hierarchy and bureaucracy as de-motivating, which would also be in line with the theory. Our analysis also shows that managers and white-collar workers are less focused on salary as a motivator or source of job satisfaction, and the manager Krister thinks that salary only motivates or de-motivates you once a year. Salary as a hygiene factor is also exemplified by the white-collar worker Mattias. He sees salary as the largest factor for dissatisfaction if the salary is not seen as relevant for the job performed. He also states that the added salary given for top-performance is so small, that that salary in itself is not an incentive for higher performance.

The motivation factors, such as the job itself, recognition or career opportunities are in much higher focus among our respondents. This is also supported by theory, which states the motivation factors are positive effort sustainers and directly affects job satisfaction and motivation. Feedback and challenges are the most mentioned factors influencing job satisfaction and motivation.

The manager Åsa thinks that people are motivated in different ways, and that for some the salary is enough to be motivated, but that it is also important to make co-workers visible, which is also supported by the manager Roger.

The individual focus of GE, with the Session C system that is in place for managers and white-collar workers is working well. Both managers and white-collar workers mentions the feedback and focus on development as key factors influencing their job satisfaction.

Among our blue-collar respondents, the biggest factor influencing motivation and job satisfaction differs more, but the job tasks themselves are mentioned as a source of satisfaction for all of them.

6.4.1 Values and attitudes

The Swedish collective culture and the presence of the “jante”-law, is something that our analysis show is still present in the company. The managers says that they have had problem rewarding individuals since this could make co-workers look sideways at each other, and there could be some jealousy.

Our analysis suggests that there is a gap in the way such rewards are communicated, since blue-collar workers wishes to have more valid reasons and explanations on what grounds a reward is given. According to the blue-collar worker Lena, this would make it easier to understand and be more motivating.

6.4.2 Stress and job tasks

There are some indications that the co-workers feel that the recent organizational change has led to more stress in the work environment. The white-collar worker Mattias states that he feels like them have more to do now, with all the administrative work, but no more time to do it in. Our theory states that administrative work is neutral in regards to satisfaction. However, all co-workers that mention a feeling of increased administration feel that it is negative.
This also seems to be linked with the perception of higher bureaucracy and hierarchy experienced by co-workers. As theory suggests, leadership oriented tasks boost job satisfaction, and our manager respondents do feel satisfied with their work.

6.4.3 Contingency Theory
Contingency theory states that a company needs to match their structure and incentive systems to their business and technology in order to be successful. We cannot say too much about the market environment of GE Healthcare, but we imagine that it is a innovative business that is rapidly changing. For such a business reality, contingency theory suggests an organic management system, with flat hierarchy and open communication.

GE is undoubtedly a very successful company, although they do not match the principles of contingency theory. They have a quite hierarchical system, and that is the same regardless of the business they operate in. Regarding incentive systems, our analysis show that although GE utilizes a highly individual based incentive system world wide, they have adapted to some extent to the local reality of Sweden and Umeå. The collective focus and team focus of a manufacturing business in northern Sweden would according to contingency theory not be a good match for an individual incentive system. Our analysis also shows that GE has had problems implementing such a system. However, our analysis also show that they give plenty of rewards to groups and teams as well, which would be more in line with what contingency theory suggests.

However, as theory suggests, employee satisfaction and motivation may not be fixed but rather change over time. And according to the manager Roger, individual rewards are running more smoothly now, and acceptance is higher. According to our management respondent Klas, feedback and recognition are things that lingers for a long time in the minds of employees, and may thus help acceptance of GE’s reward systems in the long run.
7. CONCLUSIONS AND DISCUSSION

In this chapter, we will present our conclusions, with discussions and personal reflections of this study, connected to our research problem and purpose.

Before moving into the conclusions and discussion part of our thesis, we will review our problem formulation once again:

*How does GE Healthcare in Umeå use Reward and Recognition strategies and how do their co-workers perceive these strategies with focus on job satisfaction and motivation?*

We will also review our thesis purpose:

*We want to examine potential gaps between evidence and practice on Reward and Recognition Strategies. Furthermore we want to develop an understanding of how co-workers perceive these strategies.*

First of all, we will present three figures, where we have mapped out the respondents and their level of motivation and satisfaction relating to the factors we have found to be the most important. It is important to mention, that since we have not used a quantitative study, or a structured interview, it is hard to put the respondents in an exact position in the figure below. Their position in the figures are based on our qualitative analysis of their interviews, and are meant to give the reader a general feel for how the respondents are grouped in relation to these factors, and serve as an introduction to our conclusions and discussion.

We also want to note that the perspective of managers and co-workers differ. In the figures below, the managers view is more focused on how important they think a factor is for influencing motivation and job satisfaction, and if they have experienced this themselves and among their co-workers. The co-workers view is more focused towards how they have perceived the degree of a factor (such as communication or feedback), and how this has affected their motivation and job satisfaction.

**Explanation to figures**

On the Y-axle we have *Degree of motivation and job satisfaction*, going from negative near origo, to positive near the top. This means that a medium level of motivation and job satisfaction would be halfway up the Y-axle.

On the X-axle we have chosen the three factors we have found to be most relevant in affecting motivation and job satisfaction. In the first figure we have *Importance/degree of change in organizational culture and structure*. This entails if the respondent has seen a change in organizational culture, degree of hierarchy, structure as so forth. Since there are several components in this factor, a respondent can have experienced one thing strongly, but not another, which would then place him or her near the middle of the X-axle. Once again, these figures serve to give the reader an overview before reading our conclusions and discussions and should not be read as exact statistical models. For the X-axles on the following two figures, *Feedback and communication*, and *career, development and job tasks*, the course of action is the same.
We have used a circle with a thicker line to signify Managers, a dashed line for White-collar workers, and a regular line for Blue-collar workers.

~ CONCLUSIONS AND DISCUSSION ~

Figure 11 – Motivation & jobsatisfaction vs. organizational change

Figure 12 – Motivation & jobsatisfaction vs. feedback and communication
When we first started our study, we had a lot of previous knowledge about GE, and an interest in their leadership strategies. There have been numerous articles and books published about GE’s leadership, so we had a clear picture of these part of GE’s management. However, we did not know as much about how GE worked with its reward and recognition strategies.

Our findings show that some gaps exist, but also that top-management seems to be aware of the potential of such gaps. We think that some gaps is to be expected since GE Healthcare is still in their second year of implementing their management systems and the EMS and Session C is not yet in place for blue-collar workers. One of the most prominent gaps is that of feedback and communication. This was seen as very important for motivation and job satisfaction amongst both managers and co-workers. However, since blue-collar workers experience a lack of such feedback and communication, this has affected their motivation and satisfaction negatively and created a gap, as roughly illustrated in figure 12 above.

It is clear that GE as a company wishes to use the same reward and recognition systems internationally, and GE Healthcare Umeå has already implemented several of GE’s systems. However, it is also evident that GE has adapted to local realities to some extent. For instance, they have collective bonuses on the associate band, they have group rewards, and they are cooperating and negotiating with the labor unions. Furthermore, we found that motivation and job satisfaction where high overall amongst our respondent, especially amongst managers and white-collar workers. Feedback and challenging work tasks were the things that most affected motivation and satisfaction according to our respondents.

Figure 13 – Motivation & job satisfaction vs. Career, development and job tasks
We believe that since Session C and EMS have been implemented with managers and white-collar workers, and that they are also more used to working with these kinds of appraisal systems, this is contributing to a higher sense of motivation and satisfaction. Career opportunities are also an added factor we see as influencing them. Career advancement and succession planning are cornerstones of GE management system. As our theory suggests, managers and white-collar workers may have more career opportunities in a individual oriented company such as GE. In an organizational culture that has a high focus on individual career advancement and leadership development, employees that do not have the ambition to become a manager can become dissatisfied. Amongst our respondents there were also those who felt that alternative career paths were missing.

For blue-collar workers, the new organizational structure seems to have caused some frustration and dissatisfaction. We think that this can partly explained by the experienced lack of feedback and communication, and also taking into account that the EMS and Session C is not yet implemented for blue-collar workers. The communication style of the closest manager becomes imperative in this situation. As our theory states, supervision and feedback are crucial factors in an organizational transition to secure job satisfaction and motivation amongst co-workers. Judging from the gap between managers and blue-collar workers, there seems to be some problems with how the new organizational culture is communicated and how feedback is given. However, GE Healthcare seem to be aware of this problem since they have appointed a responsible for communication at the workplace. Also, since they are still in an implementation phase, we can assume that these gaps will narrow with time.

Our analysis shows that the cultural differences between an individualistic organizational system and culture like GE’s, and the predominantly collectivistic working culture of Sweden, causes some tension and dissatisfaction. We believe that this tension may only be solved through extensive and continuous communication and feedback. But we do not think that only informing co-workers of the company’s goals and culture in order to make them feel a part of that culture are an effective solution. It is also imperative to recognize that some individuals will not be motivated or satisfied with the individual reward systems of GE, nor the higher hierarchy of the organization. Furthermore, some individuals among blue-collar workers may have problems with the EMS once it is implemented. This partly because they may not be used to filling in these kind of documents and may not see the use of it.

We believe that continuous feedback, communication and recognition from their closest manager, is one important part of reducing such problems. Our study shows that there is awareness of this problem amongst management, and measures are taken to rectify this. We cannot answer when and if Session C and the EMS system will be implemented throughout the whole organization, but we think that if it is done GE Healthcare will have some obstacles to overcome. This process will also be a period of adaptation and transition, as noted by many of the managers. We believe that acceptance of GE’s system will grow over time, and with the development of internal communication, motivation and job satisfaction will grow as a consequence.

In conclusion, we do believe that we have answered our research problem and purpose. We have been able to give a description of how GE Healthcare use reward and recognitions strategies, and we have also presented how their co-workers perceive these strategies. Furthermore, we have shown that some gaps do exist, especially in the fields of communication and feedback.
We also feel that we have deepened our understanding of how HR-management strategies works within GE as a whole and General Electric in Umeå in particular.

However, we are also aware of some shortcomings in our research and analysis. As explained in our methodology (4.3), the issue of anonymity did cause us to lose some perspectives in the analysis of our empirical material. We feel that the perspectives of age, time in the company (before or after the transition), job-role and position in the organization could all have added valuable depth to our analysis and conclusions. In this way, the results of our study might in retrospect seem somewhat narrow, but we still feel that we have fulfilled our problem and purpose as well as we could when taking our limitations into consideration.

7.1 Suggestions for future research

With the above-mentioned shortcomings taken into consideration, we feel that a larger, anonymous survey, covering the majority of employees at GE Healthcare, could be a good way to follow-up on our initial study, and a way to gain more concrete and measurable results.

We also believe that when the transition phase is finished and Session C and EMS is in place for all co-workers, communication will run more smoothly and the organizational culture will be more accepted. However, this can of course only be confirmed by further and larger studies.

We thus think that it would be interesting and worthwhile to perform a larger, quantitative study of GE Healthcare in the next two to three years. This would serve to give a clearer picture of how well the organizational change has been accepted, and how co-workers perceive the reward and recognition strategies and their level of motivation and job satisfaction.
8. TRUTH CRITERIA

Reliability and validity, internal and external, are important truth criteria in research. *Reliability* corresponds to the trustworthiness and usefulness of the measurement.\(^{197}\) *Validity* means that the measurement really measures what is intended.\(^{198}\) These criteria are foremost used within quantitative research, which is where they were first developed.\(^{199}\)

With that said, researchers have proposed that these criteria are not suitable for qualitative research. Instead, alternative terms and methods are proposed to be able to more accurately measure the corresponding criteria for reliability and validity within qualitative research. Two basic criteria have been proposed; *Trustworthiness* and *authenticity*. Trustworthiness can be further divided into four important other criteria; *credibility*, *dependability*, *transferability*, and *conformability*.\(^{200}\) Authenticity is more of research political guidelines, which have not had any significant impact on the research community.

*Credibility* means that the research should have been performed following rules and guidelines in the research field. To create credibility also entails that the researcher should present the findings of the study to the respondents, in order to validate and confirm that the researcher has perceived things correctly. This criterion is also called respondent validity.\(^{201}\)

We feel that we have fulfilled these criteria by allowing our respondents to take part in our empirical compilation before finalizing our study, and also to receive the finished thesis if they wished. We also feel that we have performed the study in accordance with existing guidelines in the research field.

*Dependability* means that the researchers should audit his research, which means making an account for all steps of the research process, from problem formulation to conclusion. Here it is also thought that colleagues or friends of the researcher can come with input throughout the process or nearing completion of the study.\(^{202}\)

We feel that we have accounted for all steps of our research process in out theoretical and practical methodology. Furthermore, we believe that our thesis supervisor will support us with adequate and professional input during the process of our thesis work, and our opponents during its completion and revision.

\(^{197}\) Ejvegård R, p.70
\(^{198}\) Ibid, p.73
\(^{199}\) Bryman A, p.257
\(^{200}\) Ibid, p.258
\(^{201}\) Ibid, p.258
\(^{202}\) Ibid, p.260-261
Transferability means that the researcher should aim to provide a thick description of their study, which can provide other scientists with a database through which they can determine how transferable the findings from the study is to another context.203

We cannot with any absolute certainty say that our research will be transferable to other research fields or contexts. However, we do believe that we through the in-depth discourse of case studies could provide enough depth to our empirical material to make it at least useable as reference material or food for thought for future research. The fact that our chosen case study is General Electric, which has been a focus of management literature and been considered a source of best-case practice for many decades, might also provide a somewhat higher degree of transferability since their strategies are also often bench-marked by other companies around the world.

Conformability means that the researcher recognizes that he or she cannot ever be completely objective, but have acted in with good intentions and in good faith. The researcher should not have allowed personal values to influence the analysis or conclusions of the study.204

We are well aware that we can never be completely objective as researchers. But we feel that we fulfill this criterion through our awareness of the problem, but we also to some extent feel that we should allow the uniqueness of our experiences and subjective ideas and thoughts into the conclusions of this thesis, since we believe that this might add valuable perspectives to this part.

Authenticity is more of research political guidelines, which according to literature have not had any significant impact on the research community.205 As such, we have chosen not to take this into consideration.

---

203 Bryman A, p.260
204 Ibid, p.261
205 Ibid, p.261
REFERENCES LIST

Articles

Bassett-Jones N, Lloyd G. C, Does Herzberg's motivation theory have staying power?, Journal of Management Development, Volume 24, Number 10 2005, pp. 929-943


Falcone P, Preserving Restless Top Performers - Keep your top performers engaged so they don’t jump ship once job opportunities arise, HR Magazine March 2006, 117-122


Huff C, Recognition that resonates, Workforce Management, Vol. 85 Issue 17, 2006, fulltext


McAfee B, Quarstein V, Ardalan A, The effect of discretion, outcome feedback, and process feedback on employee job satisfaction, Industrial Management & Data Systems Volume 95, Number 5 1995, pp.7-12

Robinson J, In Praise of Praising Your Employees - Frequent recognition is a surefire and affordable way to boost employee engagement, Galupp Management Journal, November 9, 2006


Author undisclosed, For Most Goals, Cash Is Not the Best Motivator, Corporate Meetings & Incentives; Sep2006, Vol. 25 Issue 9, p37-37, 1/2p

Printed Litterature

Backman, J, Rapporter och uppsatser, Studentlitteratur, 1998

Bell, J. Introduktion till forskningsmetodik, Studentlitteratur 2006


Bryman, A. Samhällsvetenskapliga metoder, Liber Ekonomi, 2002

Bryman, A, Bell, E, Business research methods, Oxford University Press, 2003

Ejvegård, R, Vetenskaplig metod, Studentlitteratur, 2003


~ REFERENCE LIST ~


**Electronic literature**


**Internet Resources**

http://www.amcham.co.nz/Presentations/Steve%20Sargent%20Amcham%20NZ%2031%20May%202006.pdf 2006-03-08, 14:00

http://www.ge.com/en/company/companyinfo/studentportal/student.htm 2006-03-08, 15:00
Interviews
(All interviews done in person at GE Healthcare Umeå, all interviews approximately one hour in length)

Managers
Klas  2006-01-24
Åsa  2006-01-25
Roger  2006-01-22
Bengt  2006-01-22
Krister  2006-01-23

White-collar workers
Sofia  2006-01-23
Peder  2006-01-22
Mattias  2006-01-23
Lars  2006-01-23

Blue-collar workers
Sanna  2006-01-24
Hans  2006-01-22
Lena  2006-01-23
Appendix 1 – Interview Guide Managers

Background of the respondent
1. What are your background, education and current position?

HR-strategies

Management perspective
1. Can you describe what HR-strategies GE Healthcare uses?

2. How have you experienced the transition to GE’s HR-strategies after 2004? (positive/negative aspects)

3. What differences do you see and experience between GE Healthcare Umeå and GE Sweden/Internationally?

4. Are there any differences between leadership and management here?

5. Concerning reward and recognition, what do you see as most useful in affecting the motivation and job satisfaction of your co-workers?

Co-worker perspective
1. How do you communicate with your co-workers?

2. In what ways do you reward and compensate your co-workers and give them recognition?

3. Do you work mostly in teams, or individually?

4. How do you handle a co-worker that shows dissatisfaction or discontent with his/her work?

5. How do you handle groups or individuals that does not fulfill your demands or meet your goals?

Personal perspective
1. Do you feel that the company appreciates and takes care of your competencies/experience? (How/in what way?)

2. What motivates you in your work, and how do you motivate your co-workers?

3. Do you feel that you live up to, and identify with the company’s vision and values?

4. Do you have any additional thoughts or comments regarding reward and recognition?

Thank you for your time and co-operation!
Appendix 2 - Interview Guide Co-workers

Background of the respondent
1. What are your background, education and current position?

HR-strategies and the experience of these
1. What motivates you in your work?

2. Have you experienced a change in the work since April 2004? (In what way?)

3. Has this affected your motivation and job satisfaction positively or negatively (please exemplify good/bad)

4. Do you think that the reward and recognition you receive corresponds to the work you perform?

5. Do you feel that the company appreciates and takes care of your competencies/experience? (How/in what way?)

6. Do you work mostly in team or individually?

7. Do you feel that you receive enough challenges in your job, and that you have the opportunity to develop in your work?

8. Do you have regular development talks with your manager, and how do you perceive/experience these?

9. What do you think about the company’s HR-strategies and reward/recognition systems? Do you think anything could be done differently?

10. Do you receive adequate information about the company’s goals and situation?

11. Do you feel that you live up to, and identify with the company’s vision and values?

12. What is according to you, the most important factor influencing motivation and job satisfaction?

*Thank you for your time and co-operation!*