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An empirical analysis of modern employees and their demands. How well-established enterprises cope with their expectations

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Abstract. *The main goal of the paper is to illustrate, deeply reflect and highlight how the employees demands and their expectations had evolved through time and correspondingly how companies should address the anticipated challenges that might come along with these changes. Within the current turbulent and dynamic business environment managers need to be highly aware of their employee level of motivation in order to keep and possibly to increase their company's competitiveness. From a methodological point of view, the paper uses an empirical analysis designed such as to better provide a set of relevant and valuable data, information and knowledge that would have to be used in order to anticipate the trend and expected dynamics of employees' demand and their corresponding expectations. Enterprises should make efforts to anticipate these potential complex changes that are starting to materialize. These emerging challenges might bring diversification and amplified volatility of the main influencing factors that will determine companies to better identify and to find more efficient and effective ways to adapt their Human Resource strategies and policies in order to assure a sustainable increase of labour productivity that would highly and constantly contribute to obtain, keep and support their company competitiveness based on a long-run competitive advantage.*

Keywords: employees; empirical analysis; satisfaction; innovation; collaborative communication; value

Introduction

In today's economy, companies are more and more doing their best to identify, recruit and retain their best employees for as long as they might be able to offer them substantial financial benefits and/or more opportunities for career development and management. In the past decades and mostly within the last years, the whole process had become more challenging, as the modern employee

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has quite different motivations as compared to its predecessors. People managed to better realize that consumerism is no longer a sustainable way of living. Time spent in nature, with one's family and friends or focusing more on practicing hobbies seem to be activities that are cherished more in modern western societies. Relationship and communications are very important for modern employee.

Due to the changes in the employee' perspective, managers and the Human Resources (HR) departments have to look to identify better ways to cope with the new needs of their workers. An increasing number of businesses are more willing and determined to offer their employees the possibility to work remotely from home or from any other location they prefer. This type of job became popular in the past years with the help of the modern technological progress based on the improvements offered mostly by ITC and digitalization. Along with freelancers, people who have regular jobs in enterprises manifest a high willingness to become "*digital Nomads*". This type of HR flexibility is much needed in our current society, as in this way everybody is able to organize better their daily activities and/or to benefit on sufficient quality time to be spend with their family and/or friends. Other companies are investing a lot in trust and team building activities, so that the collaboration and team bonding would increase and better manifest between the employees. Nevertheless, there are many opportunities to develop our current ways of working, but there are a lot of aspects that can be much more improved.

In this highly connected world, young workers tend to invest their energy to learn new, high demanded and higher quality skills and then freelance their services on different specialized online platforms. Internet made it easier for people to find potential clients all over the world and specialists from different domains simply don't find the motivation to spend 8 to 10 hours daily inside a traditional office. HR departments and team managers need to find better ways to cope with the various demands that modern workers have.

The objective of this paper is to understand if current employees are sufficiently motivated by the traditional incentives like salary and reward programmes and also if good communication between parties represents an important aspect for them. Due to the changes that have impacted our society in the past years, we need to identify if our current way of stimulating the productivity of our personnel is still efficient enough. As other research papers aim to find new ways of motivating employees, we will analyze if the conventional methods are still effective. In order to understand which are the most relevant needs and how to better manage them, we consider that we need to address this subject in a scientific manner, based on empirical analysis.

Literature review

Considering all the challenges and changes that our society has experienced in the past decades, we can state that we live in very dynamic, turbulent and complex times. People are evolving, as well as their needs. Employees need different stimulus than they had ever needed 30 years before. Thus managers have the responsibility to deliver the correct motivation to them in order to maintain their performance. (Aaker & Mcloughlin, 2010)

In today's context, the leader's scope is to implement a strategy and a vision that have the capacity to bring good outputs (Famiglietti & Leibovici, 2022). In order to have these results, organizations have to achieve its proposed goals in an efficient and effective manner. The most important general objectives of enterprises are: innovation, customer satisfaction, increased productivity, retention of employees, digitalization, reduction of costs, effectiveness etc. We consider that, as a mean to attain all these goals, companies have to adopt a new organizational

model and the subsequent operations, so that their leadership's vision and mission can be converted into a clear direction for the enterprise. Because of the continuous evolution of the current macroeconomic factors, the *leader* should be the transformation advocate that can develop a positive change in the company. (Valkokari, 2015)

The organizational culture of excellence highlights the importance of focusing towards on increased performance. This is correlated with employees' satisfaction and to the ability to induce a certain loyalty on their part (Gross, Ingerfurth, & Willems, 2021). Consequently, leaders should set legitimate, simple and coherent standards that can bring higher autonomy and flexibility to all the people within the organization.

As the company performance targets are structured over a longer period of time, these norms represent a guidebook for the workgroup behavior. (Vikhansky, 2009) The role of managers and their attributes and obligations are more and more diversified: visionary and strategist, leader of the working group, administrator, organizational culture conductor, while they should also take care of the procurement of resources and their allocation, building necessary skill, setting of tasks, mentoring other employees etc. In addition, we might formulate detailed processes in which a manager has a crucial role, such as those briefly presented further: *keeping control of events inside the organization; encouraging an organizational culture that provides additional value for the enterprise and facilitate the accomplishment of long term strategic objectives*; *obtaining consensus; maintaining the company adaptable to the dynamic economic environment and aware of all the opportunities that appear; promoting a common collective effort to improve the implementation of strategies and the efficiency inside the organization processes.*

Keeping control of events inside the organization involve initiating formal or informal relationships with other colleagues; *Encouraging an organizational culture that provides additional value for the enterprise and facilitate the accomplishment of long-term strategic objectives* is feasible if there is a constant and sustained process of improvement; *Obtaining consensus* by mediating any power struggles and tensions that might occur within the company. This is the reason why managers should stimulate any new proposal that can bring progress, display diplomacy when the process of implementing the organization's strategy is ongoing and also why they must encourage all employees to exert their right to vote whenever the situation demands it; *Maintaining the company adaptable to the dynamic economic environment and aware of all the opportunities that appear* can include the identification and stimulation of competent employees inside the organization; *Encouraging collective action to improve the implementation of strategies and the performance of the organization* is also very important for any modern organization. In addition, managers need to provide safe channels for offering feedback. Without the fear of retribution, employees are able to better express their opinions and concerns regarding the company.

With the help of good leadership, a company is better able to understand what their workers need and thus it would be able to implement the highly needed changes more easily (Kusa, Duda, & Suder, 2022). In addition, they can understand which is the real motivation behind their employees' activities. *Work satisfaction* refers to a group of beliefs that employees have towards their job (Becker et al., 2022). We can identify a couple aspects of satisfaction: the *facet satisfaction* and, correspondingly, the *general satisfaction.* The first type of satisfaction is called *facet satisfaction* and represents the employee's tendency to be greater or lesser satisfied with his/her job. The vision of facet satisfaction is evident when one may say: "*I love my job, but I dislike my manager"* or "*the salary I have here is not very big, but I get along well with the people I work with*." Some studies suggested that the most relevant impressions toward work are included in a

small group of aspects: the activity performed, financial remuneration, promotions, recognition and additional benefits.

In addition to the facade satisfaction, we can frame a *general satisfaction* with a general indicator containing a summary of a person's satisfaction with their work, which takes into account different aspects. In a certain sense, general satisfaction looks for the total set of the attitudes that individuals have towards the varied aspects of their work. In particular, they could have attitudes that compensate for various negative or positive aspects of their activity. (Goretzki et al., 2022) The most common standard of measuring is *the Job Descriptive Index (JDI)*. Attitudes such as job satisfaction are the sum of the correlated beliefs and values (Ninaus, Diehl, & Terlutter, 2021). On one hand, workers may have different beliefs regarding one particular job because they may have different perceptions of the real nature of their activity. On the contrary, even if people believe that their work is equivalent, they might have different expectations on what should result from their work. These desires are preferences that are highly influenced and even determined by the employee value system.

During the pandemic, the demands and expectations of employees changed considerably. In order to maintain a safe and healthy environment, the employer had to develop an action plan to protect the safety and health of their workers and to reduce the risk of COVID-19 spreading. Working from home can be a solution, but this can also have some negative side effects such as feelings of isolation or working longer hours. Before returning to the office, employees want to feel that their employers are eager to go the extra mile to keep everyone safe. The sense of ownership, social interaction and reconnection with the company are among the motivations for returning to the office. On an emotional level, employees preparing to return to the office hope to consolidate their sense of commitment to their team and company and are looking forward to interact with their colleagues again (Organization Internationale du Travail, 2021).

Methodology

In this paragraph we will present the main research methods used in order to analyze and confirm the hypothesis and correspondingly the specific strategy and its design on how to address the problems that arise. The main goal of this paper is to check for the validation of the choosing of methodology and methods by considering the context, its objectives and the main limitations our study has.

We have chosen to apply a *4 Point Likert scale* questionnaire because, as far as our experience had revealed, usually it is more convenient for the respondents to be neutral on situations that do not present interest for them or in case the issue or matter is a delicate one. By having only variations of Agree and Disagree (such as in the questionnaires using just 'Yes' or 'No' answers), respondents need to express their opinion. We consider that results from a survey with only four possible answers (as in the case of *the 4 Point Likert scale)* are much more relevant because this procedure require respondents to choose in one direction or another. Thus we consider useful to apply *a hypothesis* according to which good communication between partners and various reward programmes are strongly correlated with the overall satisfaction of employees inside of a company.

The questionnaire had been applied between March and May 2021 to the employees of *Sales Administration Department* in the case of a multinational enterprise with more than 300 employees from Romania. This survey was an internal one, in order for the management to have a better idea on how to motivate the employees. That is also the reason for the high intent of response – almost 60% of the total. The results have been provided for scientific research to one of the

authors who currently works for the company while respecting all the Data privacy and protection legislation. In order to have a 90% Confidence level and a 6% Margin of error, our survey needed approximately 190 respondents – we have 175 responses. The sampling methodology used was the convenience non-probabilistic technique, because only the employees of the enterprise surveyed had the chance to express their opinion, so there was no probabilistic process to select participants.

The questionnaire includes the following questions: *How would you grade your overall satisfaction as an employee of a multinational enterprise; Do you believe that good communication between partners is important for a company; Do you believe that a good salary or reward programmes are the most important part of a job?* The coding was done as follows: '*1' for strongly agree; '2' for somehow agree; '3' for somehow disagree; '4' for strongly disagree.* The average time needed to answer the survey was 3 minutes, while 40% of the respondents had a response time less than one minute.

A Simple Regression Model analysis was performed in order to identify if the three specific questions and their responses are correlated and next to see in which way. The analysis started with introducing the resulting data in "*Data analysis*", and afterwards, *Microsoft Excel* exported all the detailed information that include the correlation between each of the two independent variables and the dependent one.

Results and discussions

In order to present our results in a more explicit and relevant way such as to assist the reader to interpret them more easily, we had designed for each of the questions graphical representations and charts that illustrate the responses of employees.

The analysis of the questionnaire responses will start with the one regarding *the overall satisfaction as an employee of a multinational enterprise*. As we can observe, 20% of the responses *Strongly disagree* with this statement. In addition, 31% of people said that they *Disagree*. This suggests that there is a lot of space for improvement if 51% of the total responses are not satisfied. On the other hand, 49% of the respondents believe that their workplace is a good place to spend their time, with 37% selecting *Agree* and 12% *Strongly Agree*. This means that there are also positive aspects that influence the overall level of satisfaction of the employees (figure 1).

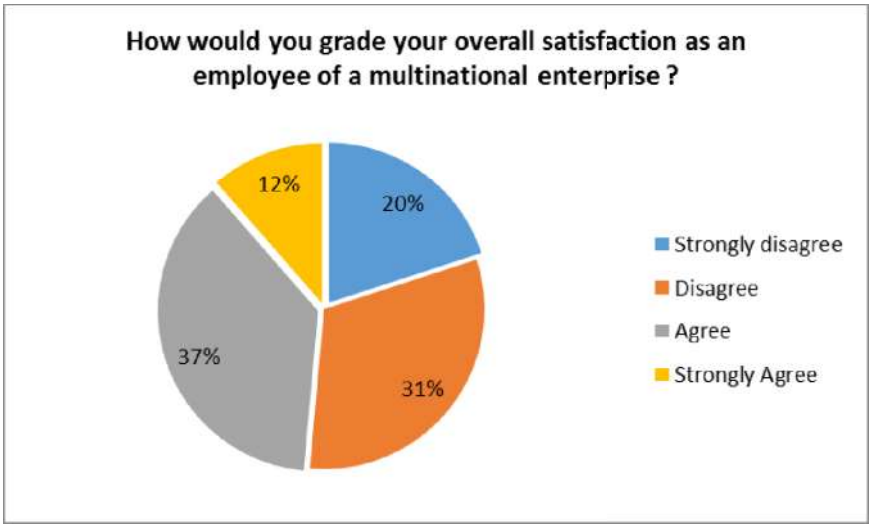


Figure 1. Overall satisfaction

Source: Authors' own research.

We consider the managerial team and leaders have to identify and understand which are the most relevant issues and next to try to maximize their effects in order to convert more people that are not satisfied.

When we investigate the answers from second question, we can observe that a total of 63% of the respondents believe that a good salary or the reward programmes are the most important part of the job, with 40% selecting *Agree* and 23% *Strongly agree*. This was somehow the expected answer, but we can see that there is a tendency for people to see also other aspect of their job at least as important as the salary – 37% of them believe this, with 26% voting for *Disagree*, and 11% for *Strongly Disagree* (figure 2).

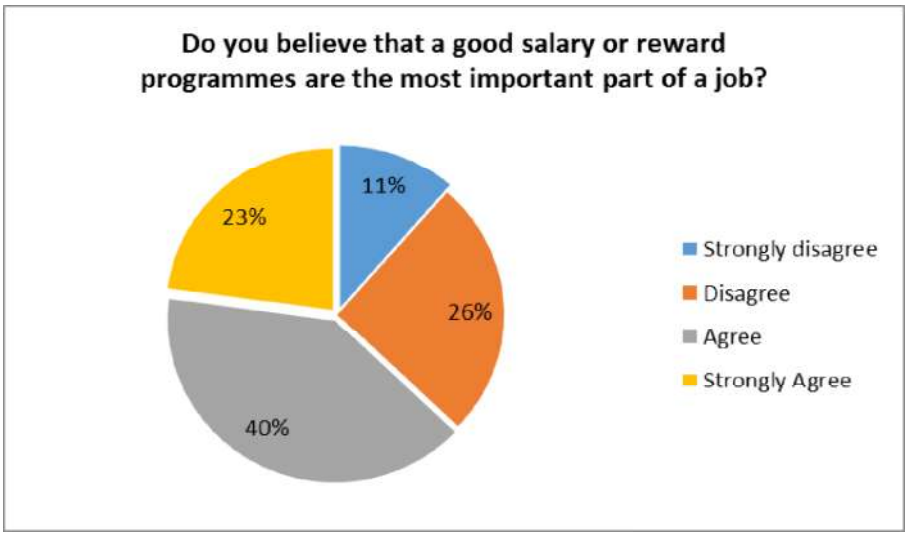


Figure 2. Reward programmes

Source: Authors' own research.

Thus we consider this is an important situation to be further analyzed, as it confirms the fact that leaders have to find other alternatives to motivate people, other than money, such as to do their best in order to keep their employees content.

The third question results indicate a positive tendency of answers regarding the importance of communication between different stakeholders. While 54% of them believe it is important, with 34% voting for *Agree* and 20% voting for Strongly Agree, 46% (29% voting for *Disagree* and 17% for *Strongly disagree*) of the respondents consider that there are other more important elements that have to be taken into account when talking about the well-being of an employee (figure 3).

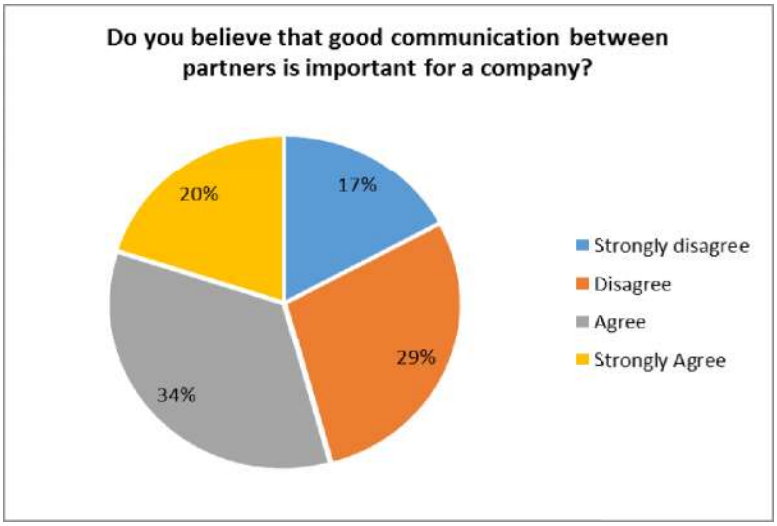


Figure 3. Good communication

Source: Authors' own research.

In order to understand better what aspects affect the well-being of employees, we have designed a *Simple Regression Model* in which we studied how much does service recognition, reward programmes and, correspondingly, good communication between parties influences employees. Table 1 illustrates *the Regression Model for the Communication question* and its correlation with employee satisfaction.

Table 1. Communication and overall satisfaction

Regression Statistics	
Multiple R	0.530026
R Square	0.280928
Adjusted R Square	0.259779
Standard Error	0.715738
Observations	35

ANOVA

	Df	SS	MS	F	Significance F
Regression	1	6.804696	6.804696	13.28315	0.000885
Residual	34	17.41753	0.51228		
Total	35	24.22222			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1.036082	0.346624	2.989067	0.005169	0.331658	1.740507	0.331658	1.740507
Our organization communicates effectively about service issues and improvements.	0.561856	0.154161	3.644606	0.000885	0.248563	0.875148	0.248563	0.875148

Source: Authors' own research.

After performing the analysis, we need to check if the results are valid. The value of the *Coefficient for Correlation (Multiple R)* is 0.530026. This value is between 0.5 and 0.7, which means that we have a medium intensity correlation. If only the good communication between parties would influence the overall satisfaction of employees at their current job, it would explain

28% of the variance in the last question's answers, not taking into account other aspects. Also, if we take into consideration other inputs, the regressor would justify only 25% of the overall satisfaction. The Regression Equation for this model is: *OS = 1.036 + 0.561 * GC*, where *OS* represents "Overall Satisfaction" and *GC* represents "Good Communication".

Thus we can state that the first regressor's slope value is 0.5618, which means that for each new point in *Good Communication*, there will be an increase of 0.5618 in the employee satisfaction. *The Significance F value* is lower than 0.05 (Sig. F = 0.00088), which means there is a small chance to wrongly reject the null hypothesis. Speaking about inference, both coefficients are not comprising 0 value, so we are certain that the slope is not zero. The result of the Durbin-Watson test is 1.5864, being higher than zero and smaller than the lower limit = 1.720, therefore we can conclude the model has a positive autocorrelation; checking whether the test is inconclusive or not, we have found that for our model the lower limit is 1.720 and the upper limit is 1.747. As our result does not fall into this class, our situation is not inconclusive. We can safely confirm with a 95% confidence class that the assumption of independence is not violated by our model. When analysing *the P-value* (0.0051) the chances to mistakenly interpret that the slope is not zero are less than 5%, which confirms that this is a valid model. We should also calculate the Variance Inflation Factor where VIF = 1 / 1 - R^2. In our first case, the VIF is 1.3906 which indicate a moderate correlation between the two variables.

The analysis is continued in order to understand better how service recognition and reward programmes do influence the well-being of the employees. Table 2 illustrates the simple regression model.

Table 2. Recognition & reward and overall satisfaction

Regression Statistics	
Multiple R	0.511614
R Square	0.261749
Adjusted R Square	0.239378
Standard Error	0.779243
Observations	35

ANOVA

	Df	SS	MS	F	Significance F
Regression	1	7.104616	7.104616	11.70025	0.001682
Residual	33	20.03824	0.607219		
Total	34	27.14286			

	Coefficients	Standard Error	t Stat	P-value	Lower 95%	Upper 95%	Lower 95.0%	Upper 95.0%
Intercept	1.143403	0.358991	3.185048	0.003155	0.413031	1.873776	0.413031	1.873776
Our service recognition and rewards programs motivate employees to deliver better internal and external service	0.487572	0.142541	3.420562	0.001682	0.197569	0.777574	0.197569	0.777574

Source: Authors' own research.

As we proceeded in the previous example, we need to check the validity of our results and then interpret them. *The correlation coefficient (Multiple R)* value is 0.511614. This value is between 0.5 and 0.7 meaning that there is a medium intensity correlation. If only the service

recognition and reward programmes would influence the well-being of the employees, it would explain 26% of the variance. If we would take into consideration other aspects, the regressor would explain only 23% of the variance. The Regression Equation for this model is: *OS = 1.143 + 0.487 * RR*, where *OS* represents "Overall Satisfaction" and *RR* represents "Recognition & Reward".

Further analyzing the coefficients, we can state that the regressor's slope value is 0.4875, which means that for every new point in Service Recognition there will be an increase of 0.4875 in the overall happiness of employees. *The Significance F* value is lower than 0.05 (Sig. F = 0.0016), so there is a reduced chance to wrongly reject the null hypothesis. When talking about inference, we can say it is possible for each coefficient as their classes are not comprising 0 value, so we are almost certain that the value of the slope is not zero. The Durbin-Watson test result is 1.6721, which is higher than the zero value and smaller than the lower limit= 1.720, therefore we can state that our model has a positive autocorrelation; in addition, we need to see if our test is inconclusive or not, we have found that for our model the lower limit is 1.720 and the upper limit is 1.747. As our result does not fall into this class, our situation is not inconclusive. We can safely confirm with a 95% confidence class that our model is not violating the assumption of independence. By analysing *the P-value* (0.0031) the chances to mistakenly interpret that the slope is not zero are less than 5%. Based on our results, we consider that the model we had applied is a valid model. In our second case, the Variance Inflation Factor is 1.354 which indicate a moderate correlation between the two variables.

Conclusion

As a general conclusion, we can state that employee needs have changed in the past decades. Things that usually motivated people to come daily and work for a company (salary, rewards etc.) have a much smaller influence and relevance nowadays.

As our questionnaire results states, we can conclude that employees are aware about the importance of communication in their daily operations. Without a good quality and collaborative communication process, things tend to be more and more complicated and puzzling. If you can clearly state a problem, half of it is almost solved; this is an aspect on which modern leaders, but also the managerial team should mostly focus on. By living in a dynamic, more complex and turbulent international business environment, the need of efficient communication is bigger than ever, as, beside the general obstacles (borders and/or legal aspects), there also are the social and cultural ones and of course the language barriers.

Other important aspects are the service recognition and reward programmes that should not be confused with the salary. Many managers believe that it would be enough to offer a substantial salary to their employees and their actions will forever be in favor of the company. But this is not at all true, as people need regular and consistent validation for their efforts that do not concern just the salary. Service recognition programmes, where the best employees from previous months are congratulated in a special ceremony, or reward programmes in which the employee who brought the most value in a specific period of time receive an incentive – free monthly subscription at the local gym or vouchers for online stores– are aspects that have to be taken into consideration more often. 43% of the survey respondents believe that salary is not the most important part of their job, so managers need to adapt to their employee needs. We can state that our results are in line with previous research papers that have analyzed employee behavior and its changes. One of the limitations of our study is represented by the low number of questions in our survey. In future studies, we should formulate a larger number of questions in order to better understand employee

behavior. Other limitation consists of the population sample that was asked to answer our questions - even if they are part of different departments, all the people work in the same company. Future research may want to extend the analysis to other specific companies from various industries. In future studies, it would be interesting to see a comparison between public and private sector, or between companies from different industries; by examining the role of sociodemographic factors such as gender, age or education, along with the cultural ones, upcoming studies might provide valuable insights on how employees needs have evolved in the past years.

All in all, during these dynamic, challenging and competitive times, the responsibility of facilitating a friendly and sustainable business environment where employees are more and more satisfied is something every leader should deeply think about, and mostly take proper actions in line with this, as now is much easier for a good high skilled employee to find other alternative jobs that fits his/her expectations that go beyond salaries.

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