

WORK MOTIVATION OF YOUNG PROFESSIONALS IN THE SERVICE SECTOR IN FINLAND

Case Restaurant Industry

Lappeenranta-Lahti University of Technology LUT

Master of Science in Economics and Business Administration, Master's Thesis

2024

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Examiners: Professor Juha Väätänen

ABSTRACT

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This research investigates the motivations of young professionals in the restaurant industry in Finland, focusing on the balance between employee needs and company objectives. As the sector faces high turnover and low job satisfaction, understanding employee motivations is crucial for its sustainability.

The study applies foundational motivation theories to analyze the specific factors influencing young workers' decisions to pursue and retain roles in this industry. Data was collected through a survey and interviews, with 51 participants aged 20-30, currently working in the restaurant industry.

The findings highlighted the significance of both extrinsic and intrinsic motivators. While monetary compensation was found important, intrinsic motivations such as personal growth, recognition, and a positive work environment were prioritized. The research also revealed the need for more contemporary and sector-specific theories of motivation. The study concludes that understanding and addressing the motivations of the younger professional workforce can enhance job satisfaction and productivity, aiding in mitigating high staff turnover rates. Future research is recommended to broaden the geographic scope, increase the sample size, and include other sectors of the service industry.

Abstract

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Introduction

1.1 Study Background

Many people work without pleasure due to various factors such as limited development prospects, low salaries, and insufficient recognition from superiors. This negativity can impact employee productivity. Therefore, creating an environment that fosters both work and personal development is essential. This is where effective motivation proves its importance.

Several foundational motivation theories shed light on factors that encourage effective work. These theories, a growing field in psychology, clarify the patterns and nature of motivation. They are widely used in personnel management to optimize work. Motivation can inspire individuals to work towards team goals.

Workforce changes and generational differences significantly influence workplace motivation. This is particularly crucial when considering the retention of younger employees in the service sector, a major portion of the workforce. The restaurant industry, often marked by high staff turnover and low job satisfaction, requires a deep understanding of motivational factors. The first step to make this industry more attractive and sustainable is understanding what truly motivates its employees. The key is finding a balance between meeting employee needs and company objectives.

This research aims to apply these theories to Finland's restaurant service sector. The goal is to understand how they can be used to formulate effective motivation and retention strategies.

While motivation is a widely researched topic, there is a limited focus on workplace motivation within Finland's private service sector, specifically the restaurant industry. This sector has faced significant changes recently, primarily due to Covid. This has resulted in a significant departure from the hospitality sector, as some professionals have permanently shifted to different industries due to doubts about the reliability of jobs in the restaurant field.

This study seeks to discover the driving forces behind young professionals in the industry and gain insights from employees' direct experiences. The findings could assist companies in reshaping the industry, attracting, and maintaining dedicated employees who can regain their trust in the sector.

1.2 Problem Statement

The restaurant industry, with its flexible schedules and quick recruitment process, is an attractive option for young workers seeking employment. However, despite these perks, the industry is not without its challenges. It faces issues such as high turnover rates and staffing shortages, which can significantly impact its overall success and profitability.

In spite of these challenges, no studies have specifically delved into the motivators unique to restaurant employees within the broader hospitality industry.

Acknowledging this gap in existing knowledge, this study aims to fill it by investigating the motivations of young workers in the restaurant industry. In particular, it will analyze the specific factors influencing their decisions to pursue and retain these roles.

1.3 Research Questions

The questions of this research target to explore the details of the younger workforce, particularly within the service sector. The study has been designed with the following key questions:

- 1. What are the distinctive traits of younger individuals as employees within the service sector?
- 2. What are the various work motivation theories relevant to service industry?
- 3. What are the driving factors behind the high turnover rate commonly observed among young professionals?

The primary research question that guides this study seeks to determine what specific factors motivate the younger generations. More importantly, the research aims to establish what prioritizations professional services companies should make in order to not only attract but also retain this young talent effectively.

1.4 Research Methodology

This research begins by examining existing literature on the topic of motivation, focusing particularly on employee motivation and how it varies based on factors like age and sector. Numerous studies and reports on the characteristics of millennials were reviewed to gain diverse perspectives.

An empirical study was then conducted, starting with a survey administered to a small sample of adults aged 20 to 30, all working in the restaurant industry in the Helsinki Metropolitan area. After analyzing the responses and identifying any gaps in the data, additional in-person interviews were conducted with two industry professionals to gain deeper insights. Collectively, opinions from 51 industry individuals illuminated the importance of understanding and adapting to their needs. The findings suggest solutions for effectively managing the work motivation of young professionals, especially as Baby Boomers retire and the younger generation becomes a larger part of the workforce. Figure 1 shows the research process in steps.

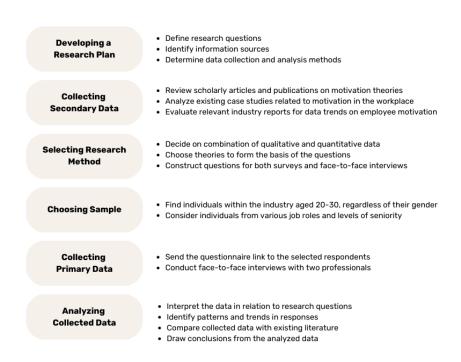


Figure 1 Research Process

1.5 Theoretical Framework

The theoretical framework begins by exploring the concept of motivation and its significance in management. Upon studying the concept of motivation and determining how many motivation theories exist, it becomes clear that no single theory covers all aspects of human motivation. However, existing theories provide a starting point for a deeper understanding of motivation. Most importantly, these theories explain how to enhance an individual's performance, which is a part of organizational management. The three main theories chosen for the thesis are the well-known Maslow's, Herzberg's, and McClelland's theories.

The decision to study motivation in the service restaurant industry in Finland was inspired by the industry's reliance on employees in front of the house for customer care, the high turnover rates prevalent in the sector, and the potential for motivated employees to improve customer satisfaction, reduce turnover costs, and drive business performance. Studying motivation in the service restaurant industry through Maslow's, Herzberg's, and

McClelland's theories reveals crucial insights into employee behavior and job satisfaction. Applying these theories in this context is straightforward, and understanding them in the restaurant setting can help managers tailor strategies to effectively enhance employee engagement and performance.

These theories were also used when creating the questionnaire for industry workers. The framework is presented in Figure 2.

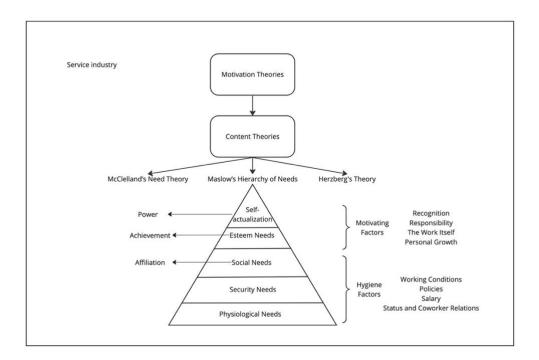


Figure 2 Theoretical framework of this thesis

1.6 Delimitations

This research is limited to studying the factors that motivate individuals in the restaurant industry in Finland. The study is based on a sample of 51 respondents, aged 20-30, who are currently employed in this industry. Although the research is conducted within the Finnish context, the findings may be relevant to similar industries in other countries. However, the results should be interpreted with caution when applying them to different cultural contexts or different age groups within the same industry.

1.7 Structure

This thesis comprises six chapters. Chapter one, the introduction, outlines the study's background and aim. Chapter two, the literature review, is expansive, covering the concept of motivation, its various studies, and the multitude of theories proposed by different scholars. This chapter also explains the choice of content theories as the research foundation and their application in various contexts. Chapter three, research methodology, details the study's approach, including data collection, sampling, and data analysis. Chapter four, findings, analyzes and discusses the respondents' answers. This leads to chapter five, discussion, where the research questions stated at the study's outset are revisited to determine if they've been answered. The final chapter, conclusion, summarizes the findings and suggests potential future studies to address unanswered questions from this research.

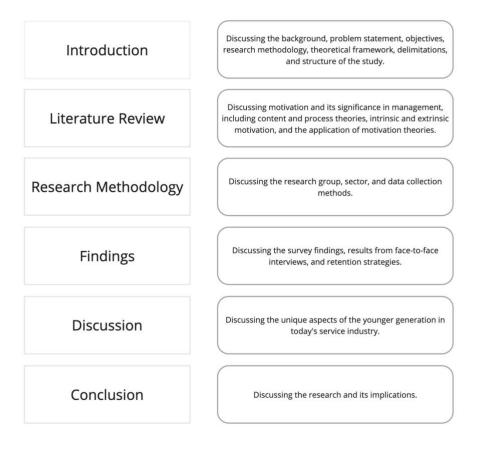


Figure 3 The structure of this thesis

2 Literature Review

2.1 Exploring Motivation and Its Significance in Management

One of the main tasks of a manager, regardless of their position, is to inspire and motivate their team members to work efficiently and effectively towards achieving the organization's objectives. To accomplish this, managers can employ motivation and incentive methods. However, developing an effective and well-rounded incentive system can be challenging due to the intricate nature of individual motivations. It is essential to have a clear grasp of the distinction between motivations and incentives, as well as the principles that should be adhered to when motivating and stimulating the workforce. Being motivated means feeling compelled to take action towards a goal or objective. Motivation comes from the word 'motive'. It means a person's needs, desires, wants, or drives. Motive is a dynamic process involving physiological and psychological aspects that control human behavior, determining its orientation, organization, activity, and stability (Juneja, 2015). It involves stimulating individuals to act and achieve their objectives and can be influenced by various factors such as financial gain, success, recognition, job satisfaction, and collaboration. In 1984, Daschler and Ninemeier defined motivation as an internal force that drives individuals to act in ways that help them achieve their goals. Other definitions include Gard's (2001) perspective that motivation encompasses "everything that drives and sustains human behavior" and Steers' (1996) view that motivation is the combination of factors that drive individuals to act in certain manners. Over the past few decades, research on work motivation has significantly advanced our understanding of the factors and processes that influence behavior in the workplace. In the early stages of work motivation studies, motivation was primarily associated with incentives alone (Kanfer, 1992). However, as the limitations of this approach became apparent, motivation theory shifted its focus to the pursuit of fulfilling human needs. Nowadays, most motivational theories can be divided into two broad groups: content and process theories. (Saif, Nawaz, Jan & Khan, 2012).

The main theories considered in this research are the theories that belong to the content subgroup of main motivation theories. Their evolution is marked by continuous refinement and expansion, reflecting the dynamic nature of human motivation itself.

Maslow's Hierarchy of Needs theory has evolved over time. Initially, it consisted of five levels of needs: physiological, safety, love and belonging, esteem, and self-actualization. Later, Maslow added a sixth level: self-transcendence, which refers to spiritual needs (Maslow, 1971). Furthermore, contemporary psychologists have adapted the hierarchy to include cognitive and aesthetic needs (Hoffman, 1988), and the order of the hierarchy is no longer strictly adhered to, acknowledging individual differences in priority of needs (Neher, 1991).

In addition to these adaptations, the interpretation and application of Maslow's theory have also evolved. For example, while Maslow initially suggested that individuals must satisfy lower-level needs before addressing higher-level needs, recent interpretations suggest that individuals may pursue needs at multiple levels simultaneously (Wahba & Bridwell, 1976). This highlights the complexity and variability of human motivation, and reflects a more nuanced understanding of Maslow's theory. Therefore, while Maslow's theory has maintained its core concept of a hierarchy of needs, its evolution reflects ongoing efforts to adapt and refine the theory to better understand and explain human motivation.

Herzberg's Two-Factor Theory originally proposed that job satisfaction and dissatisfaction are influenced by two separate sets of factors: motivators (such as recognition, achievement, and the work itself) that can enhance job satisfaction, and hygiene factors (such as company policy, supervision, and salary) that can cause dissatisfaction if not adequately addressed (Herzberg, Mausner, & Snyderman, 1959). However, this theory has been refined over time. For instance, some scholars have challenged the strict distinction between motivators and hygiene factors, suggesting that these elements may interact and influence job satisfaction in more complex ways (House & Wigdor, 1967). Others have expanded the list of motivators and hygiene factors, incorporating elements like interpersonal relationships and working conditions (Lundberg, Gudmundson, & Andersson, 2009). Moreover, the application of Herzberg's theory has evolved to accommodate different cultural and organizational contexts.

It's been noted that motivators and hygiene factors may vary across cultures and professions, underscoring the need for context-specific adaptations of the theory (Ewen, Smith, Hulin, & Locke, 1966).

McClelland's Need Theory, originally proposed in the early 1960s, posits that human motivation is influenced by three primary needs: the need for achievement, the need for power, and the need for affiliation (McClelland, 1961). Over time, this theory has been continually refined and expanded to better reflect the complexity of human motivation. For instance, some researchers have proposed additional needs, such as the need for autonomy (Deci, 1975), and the need for fairness (Adams, 1965). These additions reflect the diverse and multifaceted nature of human motivation and suggest that McClelland's original three needs may not fully capture all aspects of motivation.

Furthermore, the interpretation of McClelland's theory has evolved. While the original theory suggested that individuals possess stable, trait-like needs, more recent interpretations suggest that these needs may be more flexible and context-dependent. For instance, research has shown that individuals' needs can change over time and can be influenced by factors such as cultural norms and individual experiences (Kanfer, 1992). Overall, like Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory, McClelland's Need Theory continues to evolve and be refined to better understand and explain the complexities of human motivation.

2.1.1 Content theories

Content theories are theories of motivation that focus on human needs as the driving factors behind a person's actions. Table 1 shows the content theories proposed by four psychologists. These theories have both similarities and differences.

Maslow	Alderfer	McClelland	Herzberg
Physiological	Existence		Hygiene
Safety and security			
Belongingness and love	Relatedness	Need for Affiliation	
Self-esteem	Growth	Need for power	Motivators
Self-actualization		Need for achievement	

Table 1 Content theories summarized (Gordon et al. 1990).

According to Maslow's hierarchy of needs, human needs progress from basic physiological needs to higher-level needs such as social acceptance, self-esteem, and self-actualization. On the other hand, Hertzberg's two-factor theory states that work motivation depends on hygiene factors like salary and prestige, as well as motivators like achievement and responsibility. True motivation is achieved when both types of needs are satisfied. Hertzberg emphasizes that genuine motivation comes from self-growth, which can be fulfilled through work enrichment and teamwork. Alderfer's ERG theory aligns with Maslow's theory and describes three fundamental needs: existence, relatedness, and growth. Clayton Alderfer refers to the process of progressing through the levels of needs as "satisfaction," while moving in the opposite direction is called "frustration." The key difference between Alderfer's theory and Maslow's pyramid is that Alderfer's theory allows for movement in both directions along the levels of needs, whereas A. Maslow's theory only allows for movement from the bottom to the top. The next theory of motivation is David McClelland's needs theory. It emphasizes three higher-level needs: belonging, power, and success. These needs are similar to those described in Maslow's pyramid. In terms of labor motivation, McClelland's theory suggests the following: belonging motivates teamwork and recognition, power motivates career growth and leadership, and success motivates problem-solving, goal achievement, and organizational success. To fulfill employees' needs, those who value belonging should be provided with opportunities for social communication. Those who value power should be assigned leadership roles and decision-making responsibilities. And those who value success should be given interesting and challenging tasks, along with recognition and rewards for their achievements.

When we compare these content theories, we can see that Alderfer's existence needs are similar to Maslow's physiological and safety Needs. Alderfer's relatedness need and McClelland's affiliation need are similar to Maslow's social Needs. Herzberg's hygiene factors correspond to physiological, safety, and love. Maslow's esteem and self-actualization needs include Alderfer's growth needs, McClelland's need for achievement and need for power, and Herzberg's motivators.

2.1.2 Process theories

Process theories of motivation form another large group of theories that examine the factors that influence a person's achievement of their own goals and the goals of organizations. Unlike content theories, process theories take a different perspective. While content theories analyze the underlying needs that drive motivation, process theories focus on understanding how individuals make efforts to achieve goals and the behaviors they choose. In the field of management, process theories of motivation hold a significant position as they are closely linked to personnel management (Galyautdinov, 2014).

Process theories of motivation include several notable theories. One of these theories is V. Vroom's expectancy theory (1964). According to this theory, motivation is not directly influenced by individuals' needs, but rather by their cognitive process of assessing the probability of achieving a goal and receiving the desired reward. The expectancy theory suggests that the level of effort individuals exert in their work depends on their perception of the goal's attainability and desirability.

Another theory is J. Adams' equity theory (1963). Adams' equity theory states that individuals subjectively evaluate the relationship between the received reward and the effort expended to achieve it. They also compare this ratio with that of other workers performing similar work. Adams identified six possible employee reactions to injustice: reducing effort, attempting to negotiate higher remuneration, decreasing self-esteem, trying to influence the salary or workload of other workers, choosing a different point of comparison, and attempting to move to another department, workshop, or organization.

The Porter-Lawler theory (1968) is an integrated motivational theory that combines elements of both expectancy theory and equity theory. According to this theory, a person's motivation is influenced by various factors, with the most significant ones being effort expended, result obtained, reward, perception of the reward, and degree of satisfaction. One important finding of the Porter-Lawler theory is that employee satisfaction is a result of productive and effective work, rather than the other way around.

Lastly, McGregor's theory (1960) differs from process theories of motivation because it focuses on describing the different types of organizational managers and their corresponding behaviors. McGregor's theory consists of two interconnected theories: Theory X and Theory Y, which aim to provide a rational explanation for motivational factors. According to McGregor's Theory X, managers believe that employees are inherently lazy and try to avoid work. They are seen as uninitiative, lacking ambition, and unwilling to take responsibility. Theory X managers have a lack of trust in employees and closely monitor their work. They believe that the best way to motivate employees is through monetary incentives. Theory X managers often blame the workforce instead of the management system itself. This negative attitude undermines worker morale and ultimately affects productivity. The leadership style associated with Theory X is authoritarian, relying on the threat of punishment, and the management system is hierarchical. On the other hand, Theory Y takes a different approach. Theory Y management views workers as ambitious, eager to take on responsibility, and driven by their own motivations for work. They have a positive outlook on their staff. It is believed that employees derive satisfaction from their work, especially in creative endeavors. The sense of accomplishment from a job well done is seen as a powerful motivator. Theory Y managers believe that providing employees with greater freedom to realize their potential can significantly enhance productivity. The leadership style associated with Theory Y is more flexible and liberal, giving workers more autonomy and opportunities.

Other notable contributions in the study of motivation theories include Deci and Ryan's detailed examination of intrinsic motivation (1980), and Mitchell's investigation of expectancy theory (1982) within specific organizational contexts. Another important study was the work of Hackman and Oldham in 1976. They developed the job characteristic model, which outlined five factors of job enrichment: variety of skills, sense of task, importance of

task, independence, and feedback. These factors result in psychological states such as finding meaning in the work, feeling responsible, and having knowledge of the outcomes. Ultimately, this leads to increased satisfaction and motivation. While there are multiple approaches, methods, and theories, none can be considered absolute doctrines. However, all frameworks acknowledge the presence of two primary motivational factors: extrinsic and intrinsic motivation.

2.1.3 Extrinsic and Intrinsic Motivation

In many cases, intrinsic motivation is often described as self-generated, originating from within oneself, while extrinsic motivation is influenced by external factors, such as rewards or recognition. It is important to note that intrinsic motivation goes beyond a mere desire or intention to achieve a goal. It encompasses the inherent enjoyment and satisfaction derived from the process of engaging in actions and activities. This means that individuals who are intrinsically motivated are driven by the sheer pleasure and fulfillment they experience while participating in a task or project, rather than solely focusing on the end result. As stated by Deci, Roestner, and Ryan (1999), "intrinsic motivation energizes and sustains activities through the spontaneous satisfactions inherent in effective volitional action. It is manifested in behaviors such as play, exploration, and challenge-seeking that people often do for external rewards."

Extrinsic motivation, on the other hand, encompasses all other reasons for doing work or actions beyond the joy derived from them. Even if a person is striving for the end result they will receive after completing an activity, it is still considered extrinsic motivation, even if they are not driven by external rewards. This means that the desire to achieve a goal, regardless of the obstacles, is still considered internal motivation, but the psychological definition of intrinsic motivation is different. Intrinsic motivation refers to actions and activities that are done for the enjoyment and satisfaction of the process itself, while extrinsic motivation encompasses all other reasons for doing work or actions beyond the pleasure derived from them. Extrinsic motivation is associated with any other reasons for doing something, in addition to the internal "interesting and pleasant" aspects. These rewards and incentives are more tangible and specific, and can take many different forms (Ryan and Deci, 2020).

Although early studies on motivation, such as those conducted by Lam (2001) and Smith (1996), suggested that extrinsic motivation, such as tangible monetary rewards, was more effective in motivating employees in the hospitality industry and that rewards were more powerful in controlling behavior than intrinsic motivation (Mickel and Barron, 2008), the trend has changed in recent years. According to Grant's (2007) research, recent studies indicate that employees prioritize jobs that have meaningful and significant aspects over job promotions, income, and job security. These findings suggest that creating a comfortable work environment and making jobs more interesting and meaningful can increase employees' intrinsic motivation and lead to greater engagement at work, as noted by Putra, Chou, and Liu (2017).

2.1.4 Measuring and Enhancing Employee Motivation

An employee's performance is determined by their desire to do the job, their ability to perform it, and the resources they have to complete it. If there is a lack of ability or resources, a manager can address this by providing comprehensive training or finding the necessary resources. However, if an employee lacks the motivation to do the job, the situation becomes more complex. Therefore, motivation is essential as it directly affects the performance of individuals in the workplace and contributes to the overall success of the organization.

Figure 4 depicts the occurrence of behavior driven by motivation. The process of motivation initiates with unfulfilled needs. For instance, if an employee perceives their compensation as inadequate, they experience a need for higher income. They may explore various means to fulfill this need, such as exerting more effort to secure a raise or searching for alternative job opportunities. After selecting a course of action, they put it into practice and assess their level of success. If their endeavors yield a salary increase, they are likely to maintain their diligent work. However, if their hard work fails to produce the desired outcome, they may contemplate attempting a different approach (Griffin, 1990).

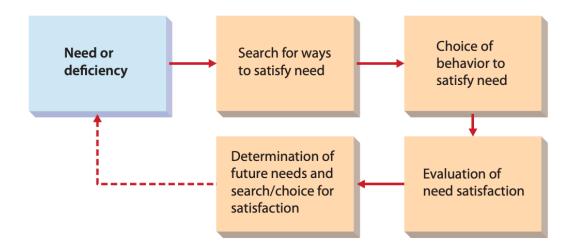


Figure 4 The motivation framework (Griffin, 1990).

To understand why an employee is dissatisfied or not engaged, employers must learn how to assess employee motivation. Assessing motivation can be challenging because it is subjective. However, starting with quantitative metrics provides an overview of the situation. Data can be gathered from key performance indicators (KPIs), HR reports, and survey responses. In addition to quantitative data, qualitative data should be collected by observing unmotivated behaviors in the workplace. These behaviors may include work apathy, low productivity levels, conflicts, lack of initiative, and disinterest in social events.

West and Uhlenberg (1970) conducted research on achievement motivation among children in school. They referred to various measures of production, such as grade point average (GPA), status and awards, perseverance and risk-taking, voluntary activities, and criticism of production measures. Among these measures, only GPA is an example of a quantitative variable. The remaining measures are good examples of subjective qualitative data that may be observed among students in a school setting.

Susan Harter also conducted research on motivation in schools (1981) and developed the scale of intrinsic versus extrinsic orientation in the classroom to assess motivation. The scale encompasses sub-domains like motivation to learn, motivation to work, work preference, work style preference, and indicators of success. The scale comprises of 30 items and includes a separate 10-item scale for teachers to assess students in their classroom.

In addition, West and Uhlenberg suggested using observer ratings as a method to measure academic motivation. This approach can also be applied to measure motivation in other settings. However, the authors acknowledge that even experienced observers can introduce biases influenced by factors such as gender, awareness of the rating purpose, self-confidence, and personal motivation. Raters sometimes make mistakes, such as overestimating or underestimating, being influenced by the halo effect, making logical errors, and avoiding extreme ratings by giving average ratings. Detecting these behaviors can be subjective, so it is beneficial to complement this data with an employee survey to obtain a more objective perspective. The survey serves as the final step in evaluating the gathered data. The survey should consist of pertinent questions aimed at gathering as many valuable responses from participants as possible. By comparing the responses to the previously collected data, areas with low motivation can be identified. This enables employers to pinpoint areas that require improvement or intervention.

According to Holley et al. (2005), maintaining a good level of motivation among employees leads to the delivery of quality services. Therefore, it is important for management to prioritize employee motivation and utilize effective psychological methods and theories to encourage employees to perform their tasks with the highest quality possible. Job enlargement, job enrichment, and job rotation are three techniques that can be used to motivate employees, but it is essential to consider individual differences, cultural diversity, and unique needs when implementing these strategies (Study.com, 2019).

By creating a motivating and productive work environment, businesses can encourage employee contributions to their development and ensure a rational distribution of resources. Empowerment and participation are strategies employed by managers to enhance employee motivation. Empowerment allows employees to establish their own work objectives and make decisions within their area of responsibility and authority, enabling them to independently solve problems. On the other hand, participation involves granting employees a voice in decision-making related to their own work. When employees are involved in organizational decision-making, it boosts their self-esteem and cultivates a sense of ownership and dedication to the organization's goals (Glew, O'Leary-Kelly, Griffin, and Van Fleet, 1995).

Another approach to increase employee motivation is through the implementation of alternative work arrangements and the use of reward systems. Providing flexibility and variable work schedules allows employees to better balance their personal and professional lives, leading to greater job satisfaction and overall motivation. Reward systems tied to performance have a significant impact on both motivation and performance. Additionally, organizations sometimes utilize non-salary incentives. There are also programs specifically designed to enhance motivation within teams and groups, which are particularly important for managers (DeMatteo, Eby & Sundstrom, 1998).

One frequently utilized program is called gainsharing, in which team productivity is measured and rewarded. Teams collaborate to reduce costs and improve productivity using their own ideas, with approval from their manager. Cost savings and productivity gains are quantified and distributed using a predetermined formula, with 25% allocated to employees and 75% to the company (Welbourne and Gomez-Meija, 1995). In the case of managers, they are typically rewarded with executive compensation aimed at increasing motivation for senior managers.

2.1.5 Content Theories in the Workplace

This thesis focuses on content theories that examine an individual's needs and characteristics that influence their attitude towards work. Maslow's motivation theory (1943) is often illustrated as a pyramid, where lower-level needs must be satisfied before moving on to higher levels. This theory can be applied in the workplace to motivate employees and ensure their needs are met. It can also help businesses assess whether they are achieving their goals and how to better meet their team's needs.

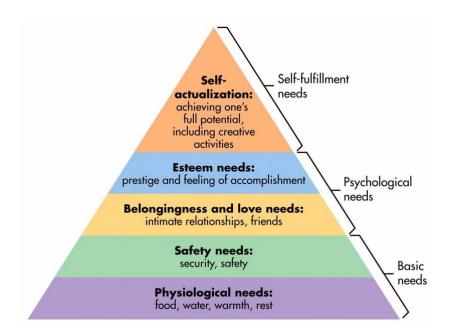


Figure 5 Maslow's hierarchy of needs (Peakframeworks.com, 2015)

To apply theory in the workplace, companies must consider employees' physiological, safety, social, esteem, and self-actualization needs. Maslow's hierarchy of needs suggests that employees first prioritize their basic needs, such as having access to clean water and a comfortable working space, before focusing on social connections and self-esteem needs. Employers can support employee motivation by providing opportunities for career advancement, cross-training, and decision-making. It is crucial for employers to adapt to the changing needs of their employees to achieve organizational goals. However, it is important to recognize that what motivates one employee may not motivate another. Frederick Herzberg's two-factor theory further complements Maslow's theory of motivation.

Frederick Herzberg's two-factor theory, also known as the motivation-hygiene theory (1959), was developed through interviews with employees to understand what influences their satisfaction or dissatisfaction at work. This theory states that job satisfaction is composed of two factors: hygiene and motivation. Hygiene factors, Things like company rules, management, pay, relationships with coworkers, and work environment may not inspire workers, but if these are missing, they can cause unhappiness. On the flip side, motivators provide satisfaction by meeting individuals' need for meaning and personal growth. These motivators include achievement, recognition, the nature of the work itself, responsibility, and opportunities for advancement.

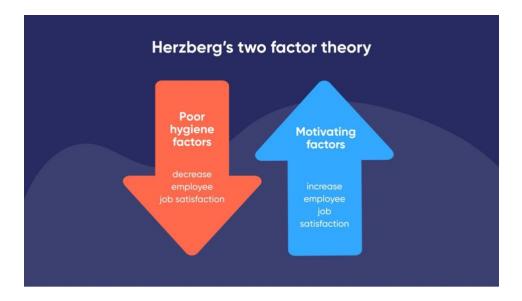


Figure 6 Herzberg's Theory (BlueDonkey, 2022).

Employers should initially focus on resolving hygiene-related issues to create an environment that fosters employee motivation and satisfaction. Neglecting hygiene factors can lead to unhappy employees and high turnover rates. On the other hand, addressing these factors can establish a foundation for employee motivation and satisfaction. Once hygiene-related needs are fulfilled, employers can implement motivators to bolster employee morale.

To enhance job satisfaction and facilitate employee success, employers can conduct a self-assessment based on Herzberg's theory and identify specific areas for improvement. This can lead to a proactive approach towards creating an environment that fosters job satisfaction.

By prioritizing the fulfillment of hygiene-related needs, employers can cultivate motivated, productive, and fulfilled employees, leading to increased quality of work and customer satisfaction (See Fig 7).

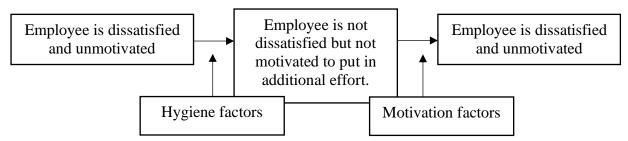


Figure 7 The effect of factors on employees

McClelland's Theory of Needs (1998) is a motivation theory that is useful for managers to understand and satisfy their employees' needs. This theory suggests that people are driven by three main needs: achievement, affiliation, and power. Understanding which need motivates an employee can improve their performance on tasks. The theory of needs is based on Maslow's Hierarchy of Needs, which is a pyramid that outlines how individuals need to have their basic needs met before they can pursue higher-level needs.



Figure 8 McClelland's Theory (Opinaldo, 2022).

McClelland's theory expands on this by exploring the specific motivations that drive us towards self-actualization. The three primary needs that drive motivation are the need for achievement, the need for affiliation, and the need for power.

Achievement-motivated individuals look for challenging projects that showcase their skills, but not so difficult that they may fail. Affiliation-motivated individuals prefer building emotional connections and interpersonal relationships and often work in groups. Power-motivated individuals seek authority and control and enjoy competition and engaging in debates. Employers can identify which motivation drives each employee through observation, questionnaires, or conversations. After learning an employee's primary driver, employers can establish motivators that support it.

For example, employers can give new, challenging assignments to achievement-motivated employees, provide affiliation-motivated employees with opportunities to work with others, or put power-motivated employees in leadership positions. By understanding and satisfying employees' needs, employers can improve employee performance and satisfaction.

2.2 Application of Motivation Theories

2.2.1 Maslow's Hierarchy of Needs

This theory has been extensively studied in various contexts (See Table 2.) Maslow's hierarchy of needs has been applied to numerous fields of study, industries, and societal issues.

Research Paper	Journal	Context	Summary of Application
Milheim, K.L., 2012. Towards a better experience: Examining student needs in the online classroom through Maslow's hierarchy of needs model.	Journal of online learning and teaching	Online learning environment	Despite its age, Maslow's hierarchy of needs model is still relevant in contemporary education and can be served as a framework to understand factors which influence student satisfaction in online learning.
Zalenski, R. J., & Raspa, R., 2006. Maslow's hierarchy of needs: A framework.	Journal of Palliative Medicine.	Hospice and palliative care environment	Applying Maslow's approach can enhance motivation and success in hospice and palliative care. It helps assess and meet the needs of patients with life-threatening illnesses, promoting self-actualization and transcendence.
Yawson, D. O., Armah, F. A., & Pappoe, A. N. M.,2009. Enabling sustainability: Hierarchical needbased framework for promoting sustainable data infrastructure in developing countries.	Sustainability, MDPI	Sustainable data infrastructure in developing countries	Maslow's model served as a framework for conceptualizing, developing, and evaluating SDI initiatives. However, applying this model presents challenges. Therefore, it is recommended to explore alternative approaches.

Table 2 Application of Maslow's theory in various research studies.

There have also been various alternative perspectives on Maslow's hierarchy, which have raised important points regarding its applicability and limitations (See Table 3).

Research Paper	Journal	Context	Summary of Application
Fowler, S., 2014. What Maslow's hierarchy won't tell you about motivation.	Harvard Business Review	Motivation in the workplace	Fowler suggests three universal needs that leaders need to promote in the workpalce: autonomy, relatedness, and competence. Unlike Maslow's pyramid, these needs are not hierarchical and can be addressed at the same time.
Rojas, M., Méndez, A., & Watkins-Fassler, K., 2023. The hierarchy of needs empirical examination of Maslow's theory and lessons for development.	World development, Elsevier	Study relies on a large and representative database from Mexico.	Research suggests that the needs in Maslow's theory are not always fulfilled in a specific order, and not all needs are equally important for overall wellbeing. Instead, balanced fulfillment of various needs, giving priority to those that contribute the most to life satisfaction, is the most effective approach.
Lawler, E. E., & Suttle, J. L. 1972. A causal correlational test of the need hierarchy concept.	Organization al Behavior & Human Performance, Elsevier	The study relies on data obtained from 187 managers in 2 organizations.	Limited evidence was discovered to support the existence of a hierarchy of needs and raised doubts about the idea that only one level of need is active at any given time. Research suggests that human needs are not static, but rather constantly evolving, and fulfilling a need does not act as a motivator.

Table 3 Application of Maslow's theory in various research studies

In the workplace, Maslow's theory applies to employee motivation and satisfaction. Employers can meet these needs by offering fair compensation, a safe working environment, social interaction opportunities, recognition for achievements, and chances for personal development and growth (See Fig. 9). By understanding and addressing employees' needs, organizations can create a supportive work environment that promotes engagement and satisfaction (Lussier, 2019).

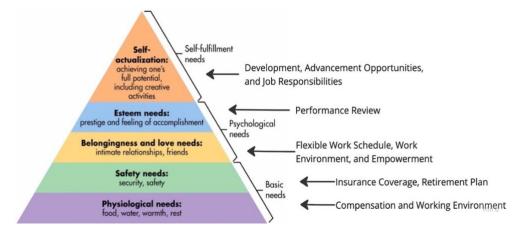


Figure 9 Modern approaches to personnel motivation in the organization

To support employees' physical well-being, managers can ensure access to basic necessities like food, water, and rest areas.

This can improve health, reduce stress, and boost productivity (Stewart et al., 2018). Managers are responsible for creating a safe work environment by providing job security, safe conditions, and fostering a supportive culture (Noble, 2008). They can promote teamwork and collaboration to create a sense of community and belonging through teambuilding exercises, social interaction, and a supportive work culture (Ozguner & Ozguner, 2014).

Recognizing achievements, offering growth opportunities, and providing promotions and bonuses can help employees feel valued (Uduji & Ankeli, 2013). Managers can support employees' personal growth and development through training, mentoring, and support for personal goals and interests. Employee engagement is vital for productivity, innovation, and commitment. To foster engagement, managers should provide growth, recognition, and collaboration opportunities (Stewart et al., 2018).

2.2.2 Herzberg's Two-Factor Theory

The Herzberg theory has been utilized as a tool to investigate job satisfaction among employees in different settings. Table 4 showcases a few studies where the Herzberg theory has been effectively employed, following by table 5 that presents criticism of Frederick Herzberg's theory.

Research Paper	Journal	Context	Summary of Application
Dartey-Baah, K., & Amoako, G. 2011. Application of Frederick Herzberg's Two-Factor theory in assessing and understanding employee motivation at work: A Ghanaian Perspective.	European Journal of Business & Management	Management in Ghanaian organisations	Herzberg's theory states that both motivator factors and hygiene factors are essential for employee motivation and satisfaction. In Ghana, managers should prioritize hygiene factors, as meeting basic needs like food and security tends to be more motivating for Ghanaian workers. Effective management of factors was crucial for organizational efficiency, effectiveness, and overall performance in Ghanaian organizations.
lfayad Z., Arif L. S. 2017. Employee Voice and Job Satisfaction: An Application of Herzberg Two-factor Theory.	International Review of Management and Marketing	Practicing employee voice at one of the largest private organizations in Jordan	Herzberg's theory affirms the notion that employee involvement in the workplace can serve as a source of motivation and enhance job satisfaction, all while not diminishing job dissatisfaction. Lastly, it is crucial to carry out this study in an alternative context and culture.

Table 4 Application of Herzberg's Theory in various research studies.

Research Paper	Journal	Context	Summary of Application
Hackman, J. R., & Oldham, G. R. 1976. Motivation through the design of work: Test of a theory.	Organizational Behavior & Human Performance, Elsevier	Study and comparison of various motivation theories	The study suggests that Herzberg's theory may not fully account for individual differences and assumes that all employees will respond in the same way to changes. The authors also pointed out that there is a lack of clarity on how the factors should be measured.
Bellott, F.K., and F.D. Tutor. 1990. A challenge to the conventional wisdom of Herzberg's and Maslow's Theories.	Annual Meeting of the Mid-South Educational Research Association	Research of Tennessee Career Ladder Program	A study has found that Herzberg's motivation factors may not be effective in motivating all employees. The study focused on teachers, who showed a stronger inclination towards incentives like monetary rewards. One key critique of Herzberg's theory is its limited applicability beyond the industrial sector.
Alrawahi, S. et al. 2020. The application of Herzberg's two-factor theory of motivation to job satisfaction in clinical laboratories in Omani hospitals.	Heliyon	Medical laboratory professionals in Oman	Most factors of Herzberg's theory were identified in this study. Employee motivation varies across different contexts. What motivates employees in one culture may demotivate them in another culture. Comparative studies can help understand how Herzberg's theory applies to different organizations.

Table 5 Criticisms of Herzberg's theory

2.2.3 McClelland's Theory of Motivation

McClelland's theory has been widely used in different contexts because it helps researchers identify the main drivers of individuals within specific target groups. The findings can be utilized to shape goal-setting and feedback processes within organizations, as well as to guide how management motivates and rewards team members. Table 6 presents the application of theory in few research studies.

Research Paper Journal		Context	Summary of Application	
Arquisola, M.J. and Ahlisa, S.U.W., 2019. Do learning and development interventions motivate employees at PT Danone Indonesia?	FIRM Journal of Management Studies	The study on relationship between employee motivation and learning and development programs at PT Danone Indonesia	McClelland's theory supported the findings that employees are more motivated to participate in these programs when they perceive them as helping them achieve their goals and gain more power.	
Harrell, Adrian M. & Stahl, Michael J., 1984. McClelland's trichotomy of needs theory and the job satisfaction and work performance of CPA firm professionals.	Accounting, Organizations and Society, Elsevier	The study focuses on measuring job satisfaction and work performance among professionals working in CPA firms.	These results suggest that McClelland's theory, which has not been previously applied to examine job satisfaction, might explain why some individuals experience high job satisfaction in an environment where their peers have different experiences.	

Table 6 Application of McClelland's theory in various research studies.

Table 7 presents criticism of McClelland's theory.

Research Paper	Journal	Context	Summary of Application
Robbins, P.S. 2009. Organizational Behavior: International Version.	Pearson Higher Education	The study on organisationa l behaviour	In Robbins' argument, he points out that the three needs in his theory are subconscious, which makes them challenging to measure accurately. Moreover, the theory does not consider factors such as gender, age, culture, religion, or other variations. Consequently, the practical implementation of this theory may have limitations.

Table 7 Criticism of McClelland's theory in research studies

2.3 The Impact of Employment Sector Context on Employee Motivation

During the study on work motivation in the service sector, the goal was to investigate if employee motivation varies across different employment sectors. However, further exploration revealed a scarcity of studies on this subject. Few relevant studies were discovered, including one that examines the differences in work motivation between the public and private sectors in the banking industry in Pakistan. Another study focuses on employee retention and motivation in the hospitality sector in Florida, which is more closely related to the sector of interest.

The study by Rashid and Rashid (2012) aimed to examine the differences in work motivation between employees in public and private sector banks. Through a thorough review of existing literature, the study discovered several hypotheses. It found that public sector employees are less motivated by factors such as "financial rewards," "work contents," and "career development opportunities" compared to their private sector counterparts. However, they exhibit higher motivation towards a "supportive working and social environment." Additionally, public sector workers experience less "work-family conflict" in comparison to their private sector counterparts. The study only found one hypothesis to be incorrect, as it revealed that public sector workers are equally motivated as private sector workers when it comes to work contents. The study's findings indicate that employees in public and private sectors prioritize motivational factors differently. The results demonstrate that the motivation of bank officers is influenced by their salary, benefits, efficiency, supervision, and relationships with colleagues. The type of bank, whether public or private, emerged as the most influential factor in determining job motivation for bank employees. Employees in private banks reported higher job satisfaction due to better salary, benefits, supervision, relationships with colleagues, advancement opportunities, and work efficiency. Conversely, employees in public sector banks reported lower motivation at work due to inadequate benefits and facilities. The study also confirmed that public sector employees place less emphasis on financial rewards and career development opportunities compared to their private sector counterparts. However, they exhibit higher motivation towards job content, self-development, recognition, autonomy, interesting work, and learning opportunities. The significance of a supportive work environment and work-life balance was also higher among public sector employees compared to those in the private sector.

The second study by Vasquez (2014) chosen to examine work motivation across various sectors, aimed to understand the factors that contribute to employee retention in the hospitality industry, despite its high turnover rate. This study is particularly relevant to the subject of this thesis, as its findings are crucial for comprehending work motivation among employees in the hospitality industry in the private sector. The findings indicate that a large majority of respondents emphasized the importance of having regular opportunities to earn money from tips as a key factor for staying in the industry. In addition, many participants expressed their satisfaction with the quality of relationships and support provided by management.

Several motivating factors, including professional respect, mutual respect, and a caring management approach, were also mentioned. Furthermore, a significant number of participants highlighted the effectiveness of training programs in their feedback. Participants recognized the importance of management's implementation of strategies such as safety policies, personal appearance and hygiene standards, as well as cash incentives for up-selling and upgrading.

In conclusion, public sector employees are motivated by a strong sense of purpose and the desire to contribute to society. They focus on making a meaningful impact and serving the greater good.

On the other hand, private sector employees are primarily motivated by financial incentives and profit. They prioritize career advancement and are willing to work hard to achieve their goals. Public sector employees value job security, work-life balance, stability, and predictability. They appreciate the ability to plan for the future. In contrast, private sector employees prioritize career growth and are open to new challenges. They are driven by professional development and the opportunity to climb the corporate ladder. While public sector employees find satisfaction in their work's nature and positive impact on society, private sector employees are motivated by financial rewards and recognition. They strive for success and the potential for monetary gain.

3 Research Methodology

The research aimed to examine the work behavior traits of young professionals in the service industry using both primary and secondary data. It sought to explore theories of work motivation and their relationship to the behavior of young professionals, as well as identify factors contributing to high turnover rates among this demographic. Additionally, the study aimed to propose retention strategies specifically targeted towards millennials. The main research question focused on understanding the motivations of younger generations and determining the recruitment and retention priorities for professional services companies.

The process began in September 2023, with three months dedicated to reviewing relevant literature encompassing theories and reports relevant to the study. Subsequently, the collection of data from interviewees and survey respondents spanned a period of 1.5 months from December 2023 to January 2024. During this time, the focus was on crafting clear and relevant survey questions and reaching out to 50 individuals to gather their responses. An additional two months were allocated to gathering and organizing all acquired information, ensuring comprehensive coverage and analysis. Therefore, the timeframe extended from September 2023 to March 2024.

The research findings include both primary and secondary data. Primary data was collected through surveys and face-to-face interviews, while secondary data consists of published sources such as reports, books, scholarly articles, and online publications. The survey employed a combination of quantitative and qualitative data gathering methods. Quantitative data was collected using a Linear scale, while qualitative insights were gathered through open-ended questions at the end of the survey. Face-to-face interviews were conducted after analyzing the results of the survey to gain a deeper understanding of the changes and areas for improvement in the industry. Figure 10 shows the overview of steps taken in the research process.

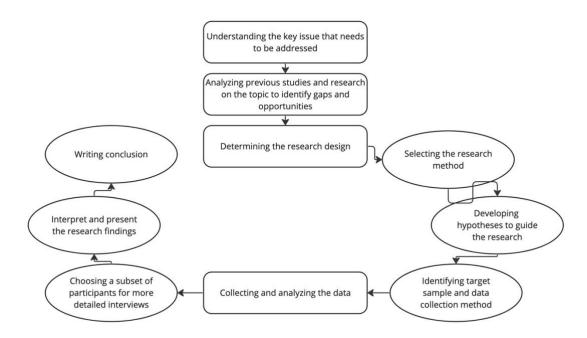


Figure 10 Steps in the research process.

3.1 Research Sector

In Finland, the service sector is the largest employer, accounting for 52% of the entire private sector. This industry generates a significant portion of the country's GDP and plays a major role in its exports. The service sector also creates the majority of new employment opportunities in Finland. It is projected that by 2023, private services will generate 41% of Finland's GDP (Palta, 2023). The private service industry in Finland provides jobs to more than 400,000 individuals, with the biggest areas being commerce, tourism and catering, and real estate. In addition, a substantial number of individuals are employed in other areas such as security, pharmacy, and cinema (Worklifedata, 2023).

Due to the pandemic, various service industry sectors have faced labor shortages, especially the restaurant industry. In 2021, Iltalehti reported that restaurants in Finland were facing an acute shortage of labor since the restrictions on opening hours and capacity were relaxed. Although the industry has had to deal with recruitment challenges in the past, the COVID-19 pandemic has made the situation significantly worse (Helsinki Times, 2021). In 2022, The S Group, a giant in the retail and catering industry, closed about a dozen restaurants in

the Helsinki metropolitan area during the summer, citing labor shortages. The staff shortage was so severe that some of the company's restaurants were traditionally closed during the busy summer season. According to the S group, most of the former employees have taken up their new jobs and are not interested in returning to the restaurant industry. In November 2022, Finland's Ministry of Economic Affairs and Employment recognized 56 occupations as suffering from worker shortages, with restaurant workers included on the government's labor shortage list (Nord News, 2022).

This thesis primarily focuses on the motivation of young professionals employed by restaurants, given the vast variety of private services available. According to PAM, the trade union that represents service sector workers in Finland, the union has 67,000 young members aged under 31 in total and about 17,000 student members (PAM, 2023). The aim is to investigate the most important motivational factors perceived by young employees in the restaurant service sector.

The purpose of this research is to examine the most critical motivational factors among this demographic and initiate a discussion on the topic. A competent workforce is a crucial factor for the success of the service economy, and understanding the motivational factors of employees can contribute to the development of effective strategies and policies.

3.2 Sampling

The target sample for this study comprised 50 young professionals, aged between 20 and 30, currently employed in various restaurants located within the capital region of Finland. These individuals were selected to represent the demographic being investigated, namely young professionals in the service industry. The survey link was privately shared with potential participants to ensure convenience and anonymity. Among the participants, a subset was selected for detailed interviews to gather qualitative insights to complement the survey data. For instance, Participant 1 is a 25-year-old professional who graduated from Vocational College and Adult Institute in the Capital Region, specializing in Restaurant and Catering, and has 2 years of professional experience in the industry. Similarly, Participant 2, aged 29, has graduated from University of Applied Sciences in the Capital Region with a focus on Restaurant Entrepreneurship and has 5 years of professional experience.

The response rate for the survey was exceptional, with all 50 participants successfully completing it, providing a robust dataset for analysis. The blend of quantitative survey data and qualitative interview insights ensure a comprehensive understanding of the research subject.

3.3 Data collection

The survey conducted for this study comprised of a comprehensive set of 10 questions, which utilized a 6-point Linear scale for respondents to provide their feedback. All the questions in the surveys were developed using the content motivation theories studied by the researcher. The aim was to explore the relationship between work motivation theories and the behavior of young professionals. The questions were shared on a private Google Forms platform, which could only be accessed by individuals with the provided link. Additionally, the survey included 2 open-ended questions to allow participants to provide more detailed insights. The primary objective of the survey was to gather data from a diverse group of 50 young professionals, aged between 20 and 30, who were currently employed in various restaurants located within the capital region of Finland. To ensure convenience and anonymity, the participants were provided with an online link to access the survey and were explicitly encouraged to respond truthfully and without revealing their identities. Remarkably, the response rate for the survey was exceptional, with all 50 participants successfully completing the survey, resulting in a total of 51 valuable responses for analysis and interpretation.

The survey did not inquire about the participants' gender as the study does not specifically investigate motivational patterns based on different gender categories. It is crucial to recognize that gender is just one of numerous potential factors that could impact the research findings. By excluding the question about gender, the study aims to concentrate on the broader elements of motivation and prevent any possible biases or assumptions. Consequently, the study can offer a more comprehension of the motivational patterns without restricting the scope to gender-specific analysis.

To gather more data and support the survey results, face-to-face interviews were conducted. Two individuals, who have received relevant education for their roles in the restaurant industry, were interviewed in person. Both interviewees hold supervisory positions at popular restaurants in the Capital region. They were asked four questions, which encompassed topics such as industry changes and their impact on work, labor shortages, retention strategies, and other observations about the current situation and issues in the industry.

3.4 Research Reliability

The reliability of this study is strengthened with its methodology, which comprises of multifaceted approach to data collection and analysis. Firstly, an extensive three-month dive into relevant literature ensured a comprehensive understanding of existing theories and reports, laying a solid foundation for subsequent research. This in-depth literature review established a theoretical framework that supported the study's exploration of work motivation in the service restaurant industry.

Careful approach to data collection involved conducting interviews and surveys over 1.5 months, aiming to minimize bias and capture diverse perspectives. By utilizing both primary and secondary data sources, the study benefitted from a comprehensive range of insights. Primary data, collected through a thorough survey and face-to-face interviews with industry professionals, provided firsthand accounts of work motivation dynamics. Secondary data, sourced from various published materials, supplemented this primary data, enriching the study with additional context and depth.

Moreover, the inclusion of a sample size of 50 participants in the survey further supported the reliability of the findings. All participants in the study possessed a minimum of one year of experience working within the restaurant industry in Finland. This sizable participant pool enabled a stronger analysis and increased the width of applicability of the study's conclusions. The two interviewees selected for in-depth discussions have extensive experience in the industry, having worked full-time in reputable restaurants for an extended period.

Lastly, the process of gathering and organizing data over an additional two months ensured that all data was systematically accounted for and analyzed. This comprehensive approach enhanced the credibility and reliability of the study's conclusions by allowing for a thorough examination of the data from multiple perspectives. Overall, by integrating diverse data

sources and employing a systematic methodology, the study's findings are bolstered in terms of their reliability and validity.

4 Findings

In this chapter, each research question is looked at separately. This is done by creating subchapters for each question. These subchapters present all important survey results. By arranging the chapter this way, all research goals are met and no question is ignored.

To make the findings easier to understand, the results of each survey question are shown with Google Surveys graphics. This not only simplifies data but also gives a visual representation of respondent involvement.

The survey participants' age in the range of 20-30 is well-represented. The majority of young professionals are between the ages of 25-29, accounting for approximately 61.3% of the total.

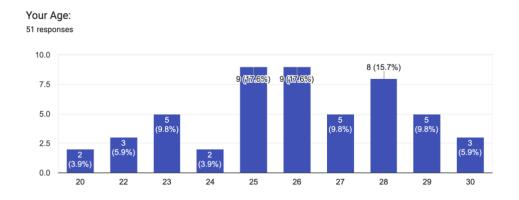


Figure 11 Question 1 in the survey.

The survey findings are presented in the following subchapters in order to answer the research objectives.

4.1 Survey findings

According to a 2016 Gallup research, millennials tend to change jobs more frequently than other generations. Though this study focused on millennials and Generation Z in the restaurant industry, the findings reflect the current trend of frequent job changes among the

younger generations. This could be due to a variety of reasons such as the search of better opportunities, the urge for personal growth, or dissatisfaction with their current positions.

This brings to the first key finding - the answer to the initial research objective: defining the characteristics of young professionals at work. To address this, survey participants answered several questions about what they find important or least/very important in their workplace. The main findings reveal that three key traits define 20 to 30-year-olds currently employed in the restaurant industry: ambitious, valuing relationships, and appreciating the mission and management of their work.

4.2 The three key traits

1. Ambitious.

Nearly half of the respondents (49%) rated opportunities for learning and growth as a 5 on the scale, indicating a high level of importance. Additionally, 25.5% of respondents rated it as a 6, further emphasizing its significance. Only a small percentage of respondents (2%) rated it as a 2, indicating that it is not important to them (See figure 12).

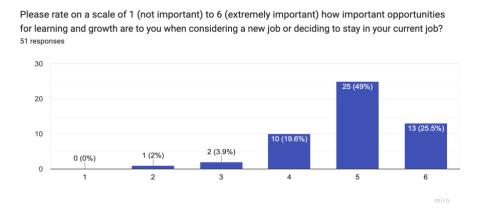


Figure 12 Question 2 in the survey

The characteristic of being ambitious was highlighted due to many respondents expressing a desire for continuous learning, professional growth, and career advancement opportunities. These findings align with Herzberg's theory, which suggests job-based motivators inspire individuals. People are motivated when their jobs provide growth opportunities, the chance to develop new skills, the ability to take initiative, and prospects for promotion. These

motivators serve a person's social and personal needs, which are more important than basic or security needs. The survey also showed that many people are ambitious, based on an openended question where people could share their thoughts.

When rating meaningful opportunities for advancement in the workplace, almost half of the respondents (43.1%) rated it as a 5, indicating a high level of importance, and 31.4% rated it as a 6 (See Figure 13).

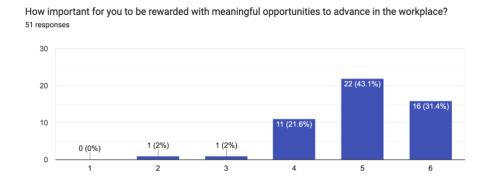


Figure 13 Question 3 in the survey

2. Value in relationships.

Slightly over half of the respondents (54.9%) rated teamwork, positive relationships with colleagues, and a sense of belonging as a 6, indicating a high level of importance. Additionally, 19.6% rated it as a 5, signifying that it is very important to them. Furthermore, 15.7% of respondents rated it as a 4, suggesting that it is moderately important. Only a small percentage (2%) rated it as a 2, indicating low importance (See figure 14).

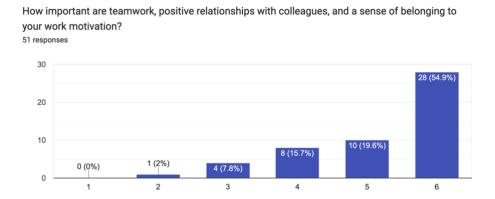


Figure 14 Question 6 in the survey

3. Mission and Management of Work

Gallup's research on millennials (2016) in the workplace has revealed the significance of a company's mission in retaining these employees. According to their findings, a significant 71% of millennials strongly agree that understanding what their organization stands for is crucial. However, this research primarily focused on millennials not working in the hospitality sector. Therefore, this thesis included a question to assess the importance of a company's mission within the restaurant industry specifically (See Figure 15). Respondents were asked to rate the importance of working for organizations with a mission and purpose on a scale from 1 (no importance) to 6 (high level of importance).

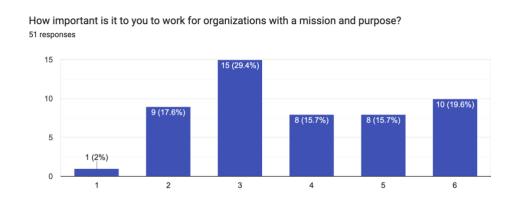


Figure 15 Question 4 in the survey

From these results, it's clear that the majority of respondents fall into the middle of the scale (2-4), indicating a moderate importance placed on company's mission and purpose. However, a significant proportion (35.3%) rated it as 5 or 6, suggesting that for many, a clear organizational mission is highly important when choosing an employer. This demonstrates the need for organizations in the restaurant industry to establish and communicate a clear mission and purpose to attract and retain employees.

Company's leaders define the organisation's ambiance and direction. When asked about management in relation to a new workplace or their current one, half of the respondents (51%) rated the quality of a manager and the quality of management as a 6, indicating that it is of high importance to them.

Additionally, 21.6% of respondents rated it as a 5, signifying that it is very important. In comparison, only a small percentage (2%) rated it as a 2, indicating low importance (See Figure 16).

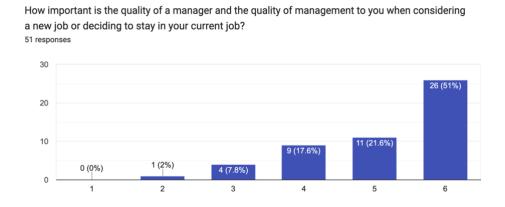


Figure 16 Question 10 in the survey.

4.3 Work Motivation Theories

The second goal was to examine and analyze theories of work motivation to establish a link with the behavior of young professionals and their work motivation. To accomplish this, certain questions in the survey were derived from content motivation theories. The question regarding safety needs, which are fundamental needs present in employees across all industries and are a part of Maslow's hierarchy, received the anticipated responses. More

than half of the respondents (58.8%) rated job security, health benefits, and a stable work environment as a 6, indicating a high level of importance. 21.6% rated it as a 5, signifying that it is very important to them. Additionally, 9.8% of respondents rated it as both a 3 and 4, suggesting that it is moderately important (See Figure 17).

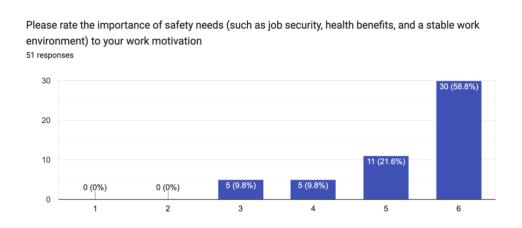


Figure 17 Question 5 in the survey.

Moving on to the topic of recognition, it is relevant in connecting both Herzberg's and McClelland's theories. Recognition is one of the factors that motivates individuals in Herzberg's theory, and it is something that drives achievement-oriented individuals according to McClelland's theory. Based on the responses, it can be concluded that recognition needs, including appreciation, praise, and rewards, are highly important to young professionals in terms of their work motivation. The majority of respondents (25.5% and 33.3%) rated it as a 5 or 6, indicating that it is very important or of high importance to them. Additionally, 31.4% of respondents rated it as a 4, suggesting that it is moderately important (See Figure 18).

Next, please rate the importance of recognition needs (such as appreciation, praise, and rewards) to your work motivation. Recognition needs refer to t...d rewards for your contributions and achievements 51 responses

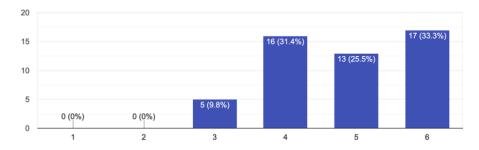


Figure 18 Question 7 in the survey.

The question regarding power needs was based on McClelland's theory, which proposes that individuals with a strong desire for power are more inclined to make suggestions, persuade others to their perspective, and pursue leadership roles. Around 29.4% of participants rated the needs for influence, control, and leadership opportunities as a 4 or 5, indicating a moderate to high level of importance. Furthermore, 15.7% of participants rated it as a 6, suggesting a high level of importance. Only a small percentage (5.9%) rated it as a 2, indicating low importance (See Figure 19).

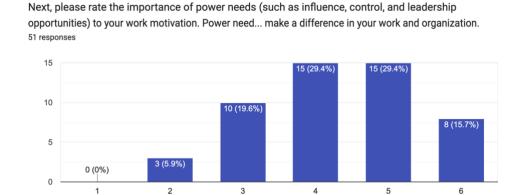


Figure 19 Question 8 in the survey.

The last question, based on Deci and Ryan's self-determination theory (SDT), focused on the need for autonomy, which encompasses independence, freedom, and decision-making authority. While the self-determination theory (SDT) was not one of the main theories examined in this study, an autonomy question was included to evaluate the significance of autonomy needs among young professionals in terms of their work motivation. Approximately 29.4% of respondents rated independence, freedom, and decision-making authority as a 5, indicating that it is highly important to them. Additionally, 31.4% rated it as a 4, suggesting that it is moderately important. These findings highlight the significance of providing young professionals with opportunities for self-direction, control over their work, and the freedom to make decisions in their roles (See Figure 20).

Finally, rate the importance of autonomy needs (such as independence, freedom, and decision-making authority) to your work motivation...., and the freedom to make decisions in your role. 51 responses

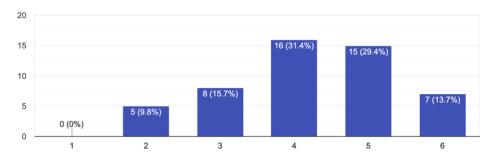


Figure 20 Question 9 in the survey.

4.4 Workplace Challenges

The third research goal was to find out why young professionals often change jobs. Participants used an open-ended question 14 to express what they think of what lowers their motivation and job satisfaction.

Due to the large volume of responses (51), the answers have been analyzed and are presented below in groups based on similarity, with edits made to reduce repetition:

- 1. Communication Issues: Lack of effective communication.
- Poor Work Environment: Negative atmosphere, unhealthy conditions, too much gossip.

- 3. **Bad Leadership**: Bad management, too controlling, unnecessary rules, untrustworthy leaders.
- 4. **Work-Life Balance Problems**: Difficulty juggling work and personal life, irregular or unreasonable work hours.
- 5. **Heavy Workloads**: Overwhelming amounts of work.
- 6. **Feeling Unappreciated**: Lack of recognition for hard work.
- Limited Opportunities for Progress: Few opportunities for career advancement or new challenges.
- 8. **Poor Treatment and Culture**: Bad treatment, feeling left out, pay cuts, lack of teamwork, few social events, high staff turnover.
- 9. **Unfair Pay**: Low salaries and no pay raises.
- 10. **Staffing Issues**: Frequent staff changes and understaffing.
- 11. **Health Concerns**: Physical and mental exhaustion, insufficient health benefits.
- 12. Poor Work Planning: Lack of a good work plan.
- 13. **Troubles with Colleagues**: Difficulties with colleagues and inefficient coworkers.

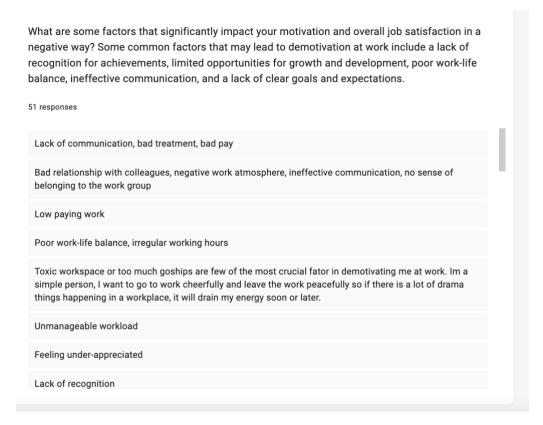


Figure 21 Question 14 in the survey.

4.5 Satisfaction Factors

To minimize employee turnover, question 13 in the survey was left open-ended, allowing respondents to express any thoughts they had (See Figure 21).

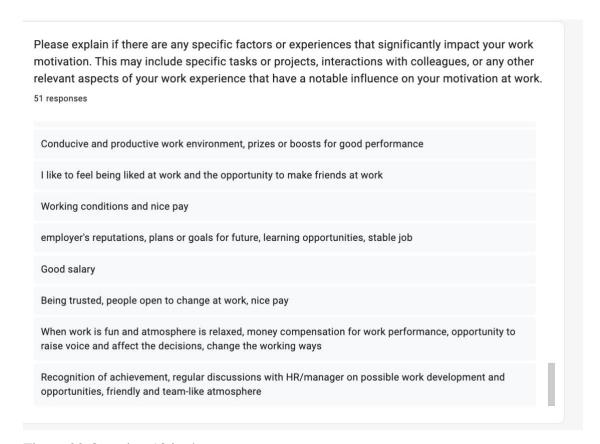


Figure 22 Question 13 in the survey.

The aim was to gather insights on factors that contribute to workplace happiness. Factors contributing to job satisfaction include:

- 1. **Workplace and Culture**: A positive and relaxed atmosphere, coworker relationships, and flexibility.
- 2. **Communication**: Regular feedback, clear communication with bosses, and being informed about the company.
- 3. **Rewards**: Feeling appreciated, recognized for good work, and opportunities to advance in the career.
- 4. **Job Security and Pay**: Stable income, good salary, and fair treatment.

- 5. **Growth Opportunities**: Chances to learn new skills and get good training.
- 6. **Leadership**: Effective and competent bosses who listen to their team.
- 7. **Work-Life Balance**: Stable working hours and flexibility for personal life.
- 8. **Respect**: Trust and respect from the employer, and a good company reputation.
- 9. **Fair Treatment**: Fair pay and adherence to laws and agreements.
- 10. **Team Activities**: Social events with colleagues and a supportive team.
- 11. Meaningful Work: Interesting work that feels meaningful.

The final significant finding from the survey is that millennials prefer supervisors who focus more on their strengths than weaknesses. Strengths-based approaches were previously common in pedagogy or psychotherapy. To gauge respondents' opinions, the question was included in the survey:

Recent research has shown that focusing on developing strengths, rather than fixing weaknesses, is a more effective way to grow professionally. Instead of investing time in fixing weaknesses, it is recommended to prioritize the development of employees' strengths. Based on this finding, do you agree with this approach?

51 responses

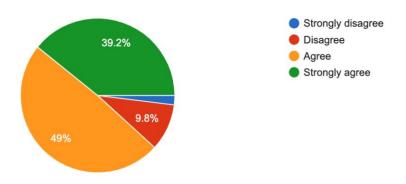


Figure 23 Question 12 in the survey.

Based on the survey results, a significant majority of respondents (88.2%) either agree or strongly agree with the approach of focusing on developing strengths rather than fixing weaknesses for professional growth. This indicates a strong preference for strengths-based approaches in personal and professional development. Only a small minority (11.8%) disagreed with the approach, suggesting that strategies aimed at enhancing individual strengths are more likely to be accepted and effective in the workplace.

51

Research from Gallup (2016) supports these findings, emphasizing that millennials prefer

jobs aligning with their abilities and interests. They seek positions that utilize their

experience and skills. Managers can increase young professionals' engagement by adopting

a strengths-focused approach to performance management, helping them recognize and

apply their abilities effectively.

4.6 Interviews

As part of the comprehensive research process, two additional open interviews were

conducted with two professionals in the field. These interviews were deemed necessary

owing to the clear and expected findings that emerged from the initial survey. The

individuals selected for interviews were chosen strategically - their selection was predicated

on a combination of their age, education and their extensive experience within the industry,

factors that lend a valuable perspective to research. Both interviewees are from the Capital

region and work in restaurants, holding supervisory positions.

Profile of Interview Participants

Participant 1

Age: 25

Education: Graduated from Vocational College and Adult Institute, Capital Region

Field of Study: Restaurant and Catering

Professional Experience: 2 years in the industry

Participant 2

Age: 29

Education: Graduated from University of Applied Sciences, Capital Region

Field of Study: Restaurant Entrepreneurship

Professional Experience: 5 years in the industry

The interviewer's responsibilities involved formulating relevant questions, conducting the interviews, and recording the responses for further analysis.

4.6.1 Industry Changes

The question was about the changes observed in the restaurant sector over time, based on the experience in the industry. It asked for an explanation of these changes and how they have affected the work and motivation of the individual.

Interviewee 1 reported fluctuating prices in restaurants, as well as a decrease in staff numbers, leading to increased workload and fatigue. Changes in customer behavior were also observed; while the customer base has remained stable, individuals can afford less, impacting restaurant sales. In early 2022, an increase in clients and sales was noted, likely due to the pent-up desire to dine out and experience freedom again after the Covid pandemic. However, a sales decrease occurred in 2023, potentially influenced by war and inflation. Despite these shifts in sales and pricing, the quality of food and service has remained consistent.

Industry changes have influenced Interviewee 1's motivation. Despite experiencing some growth, Interviewee 1 has expressed a desire for a change in work location and routine, a request that management has not approved. Employee motivation is also impacted by clients, with the restaurant's location playing a significant role.

Interviewee 2 observed significant changes in the restaurant industry, especially following the impact of COVID-19. Numerous full-time employees were laid off, prompting a workforce shift as workers left the industry to return to prior jobs or seek new ones. Companies started reducing salaries, causing employees to look to unions for future security. The workload for remaining employees increased, as they were expected to handle more responsibilities without a pay rise. Despite government-provided bonuses for restaurant workers, the effect was minimal and the bonuses were seen as insufficient. This uncertainty led to a decrease in workers' trust and job stability, but it also increased motivation due to the expanded responsibilities.

4.6.2 Labor Shortage

The second question was about addressing the labor shortage in the restaurant sector in Finland and finding ways to alleviate the shortage of skilled workers in the foreseeable future.

Interviewee 2 asserts that while the labor shortage in Finland's restaurant sector isn't critical, the talent pool is limited. He suggests better pay, increased flexibility, and an improved work-life balance to tackle this issue.

Interviewee 1 observes that restaurant work is suitable for students due to its flexible nature. However, the industry's primary workdays of Friday and Saturday, and occasionally Wednesday, deter non-students. This is because the job mainly requires weekend work, particularly on Fridays, and the pay is often insufficient. Additionally, the unpredictable schedule and family-unfriendly hours present challenges.

To attract more people, solutions could include more stable contracts, bonuses, additional incentives, and consistent working hours. Considering employees spend most of their time on their feet, benefits like pool access and massages could also be attractive. Higher salaries are an obvious incentive. Adequate training and a thorough introduction process for new hires are also important.

4.6.3 Desired Changes in the Industry

The third question asked about the changes that the individual would like to see in the restaurant sector in Finland.

Interviewee 2 didn't specify desired changes for the restaurant sector in Finland. As for Interviewee 1, he noticed that in his current workplace, clients spend less and resist new experiences. This hampers skill development and motivation. He expressed a desire for more varied and interesting tasks, particularly in bar work. In contrast, sales are higher in central locations, where groups of customers are more willing to spend money and try new things.

This openness impacts staff skill development by offering opportunities for increased customer engagement and sales experience. Improvements Interviewee 1 would like to see include increased management responsiveness, more opportunities for skill development, and better work location options. He also noticed that his motivation increased when fewer supervisors were present, allowing him to take on more tasks. Conversely, a lack of response and support from those in charge negatively impacted his motivation.

In conclusion, hiring more qualified staff noticeably improved the restaurant atmosphere. Moreover, the employees' desire for change and new opportunities emphasizes the importance of innovation and adaptability in the restaurant industry.

4.7 Retention Strategies

The third research objective of this thesis aimed to identify the reasons for the high turnover rate among young professionals. The findings, derived from survey results, have been discussed in previous chapters. However, this objective also encompasses strategies companies can employ to retain millennials. Thus, this chapter presents retention strategies based on primary data from surveys and interviews, and secondary data.

Interviews about labor shortages suggested that the industry could attract and retain workers by offering competitive salaries, flexible working hours, improved work-life balance, and reliable contracts. Additional perks such as bonuses, extra incentives, stable working hours, and benefits like pool access and massages could also make the offer more appealing. Furthermore, comprehensive training and a solid introduction for newcomers is essential.

When asked for recommendations on how companies can retain talent, interviewees suggested that companies should actively listen to and pay more attention to their employees. They also recommended offering more incentives and bonuses. Finally, they emphasized the significance of acknowledging employees' contributions to ensure their ongoing commitment.

Survey question 12 from the previous chapter revealed the responses of 51 participants regarding factors that boost their happiness and motivation at work. Based on these responses, it can be concluded that for employee retention, companies need to focus on

several areas. These include creating a positive work environment and culture, promoting open communication, and providing regular constructive feedback. Recognizing and rewarding achievements can greatly improve morale. Job security and competitive pay are crucial, along with opportunities for professional growth and learning. Effective leadership is key, and employees should participate in decision-making. Work-life balance, trust, and respect also play vital roles in employee satisfaction. It's critical to adhere to laws and ensure fair treatment. Social activities and team building exercises can enhance team cohesion and job satisfaction. Lastly, providing meaningful work can significantly increase retention rates.

Transitioning to the insights from secondary data, the quote from Deloitte Insights (2022) stands out: it suggests that while millennials appreciate a company's culture, values, and social impact, these factors cannot make up for inadequate compensation when it comes to employee retention. Deloitte's research findings align with survey and interview results. While millennials value purpose and social values, pay proves to be their primary source of dissatisfaction, frequently prompting them to contemplate leaving their current jobs. Despite the significance of culture and social purpose, these elements might not offset low wages. To attract and retain millennials, organizations need to provide both intrinsic rewards, such as making a positive impact, and extrinsic rewards like pay and benefits. This dissatisfaction with pay among millennials could have contributed to the Great Resignation, with many moving to better-paid positions.

Finally, young talent is more inclined to remain in their organization if they perceive their managers as understanding and responsive (Gallup, 2016). Establishing trust via sincere relationships and comprehension is vital for their commitment and retention. Yet, numerous millennials are hesitant to voice their worries to their supervisors. To tackle this, it's essential for managers to strive to comprehend their employees on a deeper level, encompassing their aspirations and hurdles, both professionally and personally.

In conclusion, to retain young professionals in the private sector, it is recommended that companies:

- Provide competitive pay and benefits.
- Guarantee a work-life balance with flexible schedules.
- Recognize the efforts of employees.

- Offer opportunities for advancement.
- Foster a culture of open communication.
- Uphold fair treatment across the board.
- Encourage team unity through social events.
- Despite the focus on culture and social impact, pay should not be overlooked.
- Empathize with their employees, creating a trusting space where employees can voice their worries.

5 Discussion

The literature suggests that motivation theories are a crucial framework for understanding what inspires people to act, learn, and engage. The study of motivation theories is a fascinating subject within modern psychology, particularly in personnel management to optimize work activity. I had certain expectations at the onset of this research. One such expectation was whether there existed a specific theory that employers could use as a template to motivate their employees, thereby increasing productivity.

However, this proved impossible because human motivation is complex, influenced by numerous factors. Hence, a one-size-fits-all approach doesn't work. Employees are unique, with individual needs and preferences. Consequently, motivation strategies need to be personalized and flexible.

What is possible, however, is determining the right balance of internal and external rewards for motivational purposes. Managers must identify their employees' needs, which is the focus of content theories of motivation, a key aspect of this thesis.

One of the most popular content theories is Maslow's model. I was curious about its relevance today, and whether the satisfaction of lower-level needs naturally leads to the emergence of higher-level needs. However, research indicates that human needs arise arbitrarily, independent of the satisfaction or dissatisfaction of lower-level needs. Furthermore, this theory overlooks individual human traits.

A questionnaire, based on three high-profile motivation theories in management, delivered both anticipated and surprising results. Additional face-to-face interviews offered detailed insights into what motivates today's industry professionals. This chapter discusses the findings in relation to the literature review and answers research questions that explain the topic's relevance.

5.1 What distinguishes the younger generation in today's service industry?

Most of today's job seekers in the labor market are young people from Generation Z and millennials. There are various sources that provide different data about the time period in which they were born, and there are no clear boundaries. Conventionally, the millennial generation, also known as Generation Y, includes those who were born from 1980 to the mid or late 1990s (Levenson, 2010). Currently, these individuals are 30 years old and make up the main workforce. On the other hand, Generation Z (Gen Z), also referred to as Generation C (connected, communicating, content-centric, computerized, community-oriented, clicking), includes young people born between 1997 and 2012 (Friedriech et al., 2010). Those from Generation Z who are entering the job market now are, on average, about 20 years old. As young individuals from Generation Z and millennials enter the job market, there are increasing signs of tension in various areas.

The media has been filled with articles criticizing the perceived traits of millennials in the workplace, such as being dependent, less loyal, feeling entitled, and adopting a relaxed approach to work. Organizations have also recognized the challenges faced by managers (often from different generations) in effectively supervising their "young workforce. (Thomson and Gregory, 2012).

Millennials have a strong desire to discover their life's purpose and find fulfillment. This often results in them frequently switching their areas of focus and exploring new interests and hobbies. Studies have indicated that maintaining a healthy work-life balance, engaging in meaningful work, and receiving adequate attention and recognition can positively impact millennial loyalty and retention (Twenge, 2010). Gallup's research on millennials at work (2016) found that they can be described as unattached, connected, unconstrained, and idealistic. However, they are also the least engaged generation of consumers in the marketplace. It is important to note that work engagement is a broad concept that encompasses high involvement, affective energy, and self-presence at work. This should be distinguished from workaholism, which is characterized by excessive and compulsive work (Britt, Dickinson, Greene-Shortidge, & McKibben, 2007; Macey & Schneider, 2008; Schaufeli, Taris, & Bakker, 2006). Organizations are grappling with the challenge of low employee engagement, particularly among millennials. There is a perception that millennials

lack the motivation and enthusiasm necessary for their jobs, often just going through the motions. However, it is important to recognize that this issue is not limited to millennials alone and affects disengaged workers in general. What millennials truly crave is a sense of connection and purpose in their work.

Millennials are driven by a desire to make a meaningful impact rather than just going through the motions. They prioritize their careers and seek opportunities that allow them to lead fulfilling lives, even if it means postponing traditional milestones like marriage and homeownership (Gallup, 2016).

Generation Z is motivated by a desire to create something unique and personal. Their primary goal in the workplace is to have the opportunity to express themselves and fulfill their ambitions. Consequently, they are often drawn to startups, unconventional projects, and making contributions to innovation. According to McCrindle (2014), Generation Z is characterized as the most privileged, technologically savvy, globally connected, and welleducated generation in history. The main difference between millennials and Generation Z is that millennials are more inclined to contribute to the development of existing projects that benefit society. They are constantly striving to improve products and grow within the company's ecosystem. Millennials also seek collaboration and leverage collective knowledge to drive innovation. On the other hand, Generation Z has a distinct focus on creating something unique and independent. They are unafraid of experimenting with new ideas and exploring uncharted territories. This generation values independence and the freedom to pursue their passions. Despite these differences, both generations share the similarity of seeking opportunities for self-realization and personal expression in their work. They are driven by a desire to find meaning in their professional lives and make a positive impact on society. Therefore, finding a business that fosters continuous growth, encourages collaboration, and adds significance to life would be highly beneficial for both employees and society as a whole.

The initial research objective was to identify the characteristics of younger professionals. Given the lack of literature on this topic within the industry, the findings presented are purely empirical. The survey revealed that most respondents rated growth, self-development, and advancement opportunities as very important or important. Consequently, key characteristics were identified in the previous section. Professionals aged 20-30 in the

restaurant industry are ambitious, value strong work relationships, and find having a work mission and competent management crucial. While these findings could apply to other industries, additional face-to-face interviews were conducted to explore what other interesting factors affect the younger generation in today's service industry.

Despite a loss of trust in the industry due to the pandemic, which led many professionals to abandon the restaurant sector and change professions permanently (Helsinki Times, 2021), trust is gradually being restored both in Finland and worldwide. However, factors such as inflation and the impact of war have notably led to a decrease in restaurant visits, reducing the need for full-time employees. In response to these rising costs, restaurants have reduced their working hours. Most establishments now need extra staff only on weekends, an arrangement not suitable for people with family commitments or inflexible schedules. This shift made the industry more attractive to younger individuals, like students. Consequently, a minor skill gap exists in the restaurant industry, as these young applicants often lack significant experience or training (Telma Lehti, 2023).

To combat this, there's an increasing need for on-the-job training and mentorship programs in today's service industry. These programs help bridge the skill gap, equipping young professionals with the necessary competencies to excel in their roles and improve overall customer service, as well as increase employees' confidence at work. The prospect of learning and growing motivates employees, and those who learn more at work are more likely to stay long-term and accept more responsibility. However, based on the interviewees' opinions, some companies offer limited opportunities for learning and development due to factors like negative management responsiveness. This indicates that self-actualization serves as a key driver for the younger generation in the service industry, highlighting the continued importance of Maslow's theory in today's work environment. However, the lack of sufficient learning opportunities requires a reevaluation of corporate strategies. Organizations should increase their investment in employee development programs, creating a caring atmosphere that encourages self-actualization.

5.2 How relevant are motivation theories to today's employee behavior?

The motivation theories examined in this research are among the most frequently cited today, forming the basis for many contemporary cross-sectional studies. Our findings reaffirm the relevance of these theories in understanding current workplace behaviors and patterns. Not surprisingly, the questionnaire Likert scale results showed that respondents rated basic factors like safety and belonging needs, as well as higher recognition and autonomy needs, as either important or very important.

There are several factors that contribute to employee engagement within the restaurant sector. However, the question of how to maintain this engagement persists. Data from openended questionnaire responses suggest that basic extrinsic motivation, such as financial compensation, is essential. As Lazear (2018) stated, it is undeniable that remuneration significantly influences employee motivation.

Despite being well-known for low pay, the service industry in Finland is comparatively better off than in many other countries.

However, current industry workers insist on the necessity for increased salaries and benefits to attract more job seekers and enhance employee engagement. It's understandable that individuals yearn for more incentives, especially when they see colleagues in other corporate sectors receiving more rewards than those in the service industry. For instance, office workers often receive perks such as cinema tickets, restaurant vouchers, massage coupons, and shopping discounts. In Finland, notable companies incentivize good performance with benefits such as gym memberships or wellness packages. Some offer travel subsidies or paid vacations to recognize commendable work. Recently, more companies have started offering educational grants to encourage continuous professional development and skill enhancement.

Backing up the previous points, Vroom's Expectancy Theory of Motivation (1964), which focuses on rewards, states that employees decide about how to perform at work if they think that a positive performance review will result in rewards from the organization. Utilizing Herzberg's theory (1959) can support company in establishing work conditions that contribute to motivation, boost productivity, and decrease staff turnover. Bonus management

fulfills the hygiene needs of employees, while initiatives for training and professional development can stimulate motivation and commitment.

In addition to extrinsic motivation, respondents emphasized the need for fair treatment and acknowledgment of their efforts, regardless of monetary value. Being valued and recognized for good performance also positively impacts employee engagement. Ultimately, a mix of both extrinsic and intrinsic motivators can help combat employee turnover.

5.3 What are the driving factors behind employee turnover today?

What has been happening recently in the restaurant sector? The pandemic, economic and political instability, mass layoffs, and emotional burnout have been pushing workers towards leaving the industry. Those who stayed lost motivation and performed only the minimum responsibilities within their job description. Only recently has the situation started to resemble the pre-pandemic state. Aside from the impact of the pandemic, numerous factors contribute to job turnover, as highlighted in the findings chapter.

Despite heightened awareness about mental health and the need for a healthy work environment, toxicity remains widespread in many workplaces. This behavior, which includes issues like underpayment, workplace gossip, and disregard for personal time, often drives employees to resign. This discussion will focus on the most frequently mentioned factors.

One reason given in both the questionnaire and interview is the feeling there is no opportunity to advance in their career, which often makes an employee quit. Work can become repetitive, turning tasks into a boring routine. Managers may overlook the professional growth of their subordinates. Numerous employees enter the industry as students and, within a span of three years, evolve into professionals, having gained professional knowledge. However, their superiors may still see them as young and inexperienced. When a manager fails to recognize their subordinates' growth, respect for them inevitably decreases. This conflict may not be explicit but this is where employee simply loses enthusiasm, tasks are completed more slowly, and there's no attempt to improve the situation.

A common concern among respondents was the increased workload due to understaffing. The industry hasn't fully bounced back since the COVID-19 pandemic, with many professionals having left permanently. To restore public trust in the industry, companies often fail to project a message of stability in their talent attraction strategies. Instead, they should paint a picture of growth and opportunities to reassure the potential workforce that the field is secure and the future is stable. However, there is a demand for high-quality training for new staff. The study highlights that respondents value a strengths-based approach in training, where managers focus more on their strengths rather than weaknesses. The survey's open-ended responses confirmed that positions enabling employees to leverage their knowledge and skills are highly valued. Managers focusing on employee strengths increase the chances of staff retention. According to McClelland's theory (1998), everyone possesses the need for achievement, power, and affiliation to varying degrees. One of these needs usually dominates as a person's primary motivator. It's crucial for a manager to identify this dominant factor in their team members. By doing so, they can adapt their approach to provide employees with what they need.

To conclude, a common reason for employees considering leaving their jobs is communication issues, particularly a lack of adequate feedback from their supervisors. It's generally accepted that more feedback can elevate employee engagement, resulting in improved productivity and overall job contentment.

Moreover, the role a manager plays has a profound effect on employee engagement. To uplift productivity and spark new ideas, managers should help their team members grow professionally, celebrate their successes, and work together well (Stewart et al., 2018). This aligns with the popular saying, "people don not leave jobs, they leave managers." This saying outlines the vital role of managers in maintaining a motivated and engaged team. In the end, improving communication and feedback, and ensuring the presence of competent and understanding managers, can substantially reduce employee turnover and foster a more engaged and productive workforce.

6 Conclusion

6.1 Main Results

The main goal of this research was to apply motivational theories to the context of Finland's restaurant service sector with the aim of developing effective strategies for employee motivation and retention. Specifically, the study sought to address the scarcity of research on workplace motivation within Finland's service sector, particularly in the restaurant industry, amidst recent disruptions including those induced by the COVID-19 pandemic. The aim was to explore the motivations of young professionals in the industry and obtain actionable insights directly from their experiences. Through its methodological approach, the study offered insights to support the development of effective strategies for enhancing motivation and retention within the industry.

This research focused on understanding the motivations of young professionals — primarily Generation Z and millennials. These individuals seek self-actualization, personal expression, and meaningful impact. Millennials tend to prioritize fulfillment, work-life balance, and recognition, while Generation Z values independence and personal ambition. Both generations place high importance on growth, self-development, and advancement opportunities.

However, the service industry faces challenges such as low employee engagement and a minor skill gap, especially among younger employees. To address these issues, organizations should consider investing in on-the-job training and mentorship programs, and fostering a supportive environment that promotes self-actualization.

Moving on to the survey findings, workplace culture, communication, rewards, job security, growth opportunities, leadership, work-life balance, respect, fair treatment, team activities, and meaningful work are all factors that contribute to the satisfaction of restaurant employees. An important finding from the survey is that these factors are not unique to the restaurant industry but are similar to those in other industries. This is significant as the expectation was to identify more industry-specific satisfaction factors. Interestingly, the results indicated that while monetary compensation was indeed a significant factor, it did

not hold the primary position in the list of motivators. The data suggests that young professionals in this industry prioritize intrinsic motivations such as personal growth, recognition, and a positive work environment over extrinsic motivations like financial rewards.

More detailed insights into the current shifts in the restaurant industry were gained from interviews with professionals. These changes encompass fluctuating prices, a reduced workforce, and evolving customer habits. Such transformations significantly impact staff motivation and workload, thereby posing new challenges for both employees and management. A critical issue in the industry is the shortage of workers. Professionals suggested potential solutions such as improved salary packages, more flexible work schedules, and a better emphasis on work-life balance.

Furthermore, workers desire more diversity in their roles and increased communication from management. They also seek better location options for their work. This could involve working at different branches of a restaurant chain or choosing a location that is more convenient for them. The restaurant industry is undergoing changes, and its workers want to be involved in these shifts. They are seeking progress, underlining the necessity for restaurants to adapt and innovate to satisfy these emerging needs and expectations.

6.2 Theory Contribution

Classic motivation theories, such as Maslow's hierarchy of needs, Herzberg's two-factor theory, and McClelland's theory of needs, have been seminal in the field of motivation studies. These theories suggest that individuals are driven by basic needs, hygiene factors, motivators, and needs for achievement, affiliation, and power. However, our research into the motivational factors of young professionals in the restaurant industry revealed a more nuanced understanding, suggesting that these traditional theories may not fully capture their unique motivations. The findings reaffirm the relevance of these theories in understanding current workplace behaviors and patterns. For instance, the importance of basic factors like safety and belonging needs, as well as higher recognition and autonomy needs, was evident in our survey results. Yet, research also highlighted the need for more contemporary and sector-specific theories, particularly in industries such as the restaurant sector.

The question of maintaining employee engagement within the restaurant sector is complex. Research indicates that basic extrinsic motivation, such as financial compensation, is essential. However, current industry workers also emphasized the need for increased salaries and benefits. Furthermore, they expressed a desire for more incentives, such as perks often received by office workers, including cinema tickets, restaurant vouchers, massage coupons, and shopping discounts. Vroom's Expectancy Theory of Motivation, which focuses on rewards, supports these findings by stating that employees decide about how to perform at work based on their expectation of receiving rewards from the organization. Herzberg's theory can also provide insight into establishing work conditions that boost productivity and decrease staff turnover.

In addition to extrinsic motivation, the study found that intrinsic motivators, such as fair treatment and acknowledgment of efforts, also play a significant role in employee engagement. In conclusion, a combination of both extrinsic and intrinsic motivators can help combat employee turnover.

6.3 Practical Implications

The research undertaken provides compelling evidence that the restaurant industry must prioritize understanding and addressing the motivations and needs of its younger professional workforce in order to bolster productivity and enhance job satisfaction. This could potentially entail the creation of more vibrant and engaging work environments that inspire creativity and innovation, the implementation of clear and structured career progression paths that provide a sense of direction and growth, and the establishment of attractive incentive structures that reward hard work and dedication. By adopting these measures, the industry could potentially mitigate high staff turnover rates, ensuring continuity and efficiency in its operations.

Despite the significant changes and challenges that the restaurant industry has faced in recent years - including fluctuating commodity prices, reduced staff numbers due to various reasons, and increased workloads - the consistency in the quality of food and service provided is commendable. It is of utmost importance that businesses in the industry continue to invest resources and effort in maintaining these high standards, which have become a hallmark of the industry. It's worth noting that there have been significant shifts in customer

behavior and spending power, which could be attributed to global events such as the pandemic. These shifts have had a direct impact on restaurant sales, challenging the resilience and adaptability of the industry. However, the surge in clientele and sales observed in the early months of 2022 suggests that there may be a silver lining, presenting opportunities to capitalize on pent-up customer demand in post-pandemic periods. It is crucial that the industry remains adaptable and responsive to such changes, positioning itself to quickly seize these opportunities.

The workforce shifts that occurred in the wake of COVID-19 resulted in increased workloads, reduced pay, and decreased job stability, leading to a decline in trust among workers in the industry. However, an unexpected outcome of these challenges was an increase in motivation among staff. The industry should explore innovative strategies to maintain this heightened level of motivation without overloading staff or reducing salaries. This surge in motivation appears to have a positive impact on the quality of customer service provided, leading to increased customer satisfaction and potentially higher profits. Therefore, building trust and fostering job stability should be high on the industry's agenda, as these factors could further enhance motivation among staff and result in a range of benefits for the industry.

6.4 Limitation and Future Research

This study provides valuable insights into the motivational factors of young professionals in the restaurant service sector, particularly in Finland. However, it is not without its limitations.

Firstly, the study focused on individuals working within the capital region of Finland, which may not fully represent the motivations of young professionals in other regions. Future studies should consider expanding the geographic scope to gain a broader understanding of the motivations of young professionals in the service industry.

Secondly, the sample size of this study was limited to 50 professionals. While the response rate was excellent, the insights gained may not be representative of the entire population of

young professionals in the restaurant service sector. Future studies could consider larger sample sizes to increase the generalizability of the findings.

Thirdly, this study did not investigate motivational patterns based on different gender categories. While this approach allowed for a broader focus on motivation, it may have overlooked potential differences in motivation between genders. Future research could explore the influence of gender on motivation in the service industry.

The study relied heavily on self-reported data, which could introduce biases. Future research could consider using additional methods to validate the findings such as observational studies or interviews with management.

Finally, this study focused primarily on the restaurant industry, which is only one sector of the service industry. Future research could consider studying other sectors of the service industry, such as hospitality, to compare and contrast motivational factors across different sectors.

In conclusion, while this study provides a valuable starting point for understanding the motivations of young professionals in the restaurant service sector, there are several avenues for future research that could provide an even more comprehensive picture of this important topic.

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Appendix 1. Survey questions.

Question 1. Your Age.

Question 2. Please rate on a scale of 1 (not important) to 6 (extremely important) how important opportunities for learning and growth are to you when considering a new job or deciding to stay in your current job?

Question 3. How important for you to be rewarded with meaningful opportunities to advance in the workplace?

Question 4. How important is it to you to work for organizations with a mission and purpose?

Question 5. Please rate the importance of safety needs (such as job security, health benefits, and a stable work environment) to your work motivation

Question 7. How important are teamwork, positive relationships with colleagues, and a sense of belonging to your work motivation?

Question 8. Next, please rate the importance of recognition needs (such as appreciation, praise, and rewards) to your work motivation. Recognition needs refer to the desire for acknowledgment, feedback, and rewards for your contributions and achievements

Question 9. Next, please rate the importance of power needs (such as influence, control, and leadership opportunities) to your work motivation. Power needs refer to the desire for impact, authority, and the ability to make a difference in your work and organization.

Question 10. Finally, rate the importance of autonomy needs (such as independence, freedom, and decision-making authority) to your work motivation. Autonomy needs encompass the desire for self-direction, control over your work, and the freedom to make decisions in your role.

Question 11. How important is the quality of a manager and the quality of management to you when considering a new job or deciding to stay in your current job?

Question 12. Recent research has shown that focusing on developing strengths, rather than fixing weaknesses, is a more effective way to grow professionally. Instead of investing time in fixing weaknesses, it is recommended to prioritize the development of employees' strengths. Based on this finding, do you agree with this approach?

Question 13. Please explain if there are any specific factors or experiences that significantly impact your work motivation. This may include specific tasks or projects, interactions with colleagues, or any other relevant aspects of your work experience that have a notable influence on your motivation at work.

Question 14. What are some factors that significantly impact your motivation and overall job satisfaction in a negative way? Some common factors that may lead to demotivation at work include a lack of recognition for achievements, limited opportunities for growth and development, poor work-life balance, ineffective communication, and a lack of clear goals and expectations.

Appendix 2. Interview Questions.

- 1. What changes have you observed in the restaurant sector over time, based on your experience in the industry? How have these changes affected your work and motivation?
- 2. How would you address the labor shortage in the restaurant sector in Finland and find ways to alleviate the shortage of skilled workers in the foreseeable future?
- 3. What changes would you like to see in the restaurant sector in Finland?