

The impact on motivation following the introduction of sustainability-based bonus-pay: A case study at a waste management company in the UK

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Abstract

This small study investigates employee motivation following the introduction of a sustainability-linked financial incentive at a waste management company. Self-determination theory is used as a framework to explore the initial impact the bonus had on employees' motivation to achieve sustainability goals since its introduction in January 2021. The case study explores the relationship between the extent to which the three basic psychological needs were met and the subsequent bearing this had on motivation. The findings highlight the importance of other factors such as company culture and the specific, moral intentions linked to sustainable acts, diminishing the importance of the three psychological needs being met.

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The United Kingdom announced a climate emergency in 2019, the evidence for which has been the increase in extreme weather events, rising sea levels and rises in carbon and other greenhouse gases (Bevan, 2020). There are substantial long-term risks associated with this and, naturally, businesses will see impacts in many areas, from policy to technology and markets (Bevan, 2020). There is some optimism, as there is evidence that boards are now recognizing sustainability as a key business issue (Soonieus et al., 2022). The 2021 United Nations Climate Change Conference, more commonly referred to as COP26, along with public pressure, has meant that sustainability and particularly the aim of 'net zero' are crucial goals for businesses in 2022 and beyond (Bowcott et al., 2021). This change has led organisations to look at ways to motivate individuals to achieve sustainability goals to meet business objectives.

The case organization, a UK-based waste management company, positions itself at the centre of the resource revolution, with a *'passion for the environment'* as a company value, and *Sustainability* and *Social Value* as two of its Critical Success Factors. In January 2021, the organization made the decision to introduce sustainability-based bonus-pay as part of the overall bonus requirements. The bonus scheme in 2021 incorporated 6% of company-related provisions of which the individual had no direct control. The other 4% was made up of 4 objectives linked

to various aspects of the business and was directly influenced by the individual. The introduction of the sustainability-based pay made 1% of these controllable objectives. These bonus objectives were agreed as part of the Performance Development Review process and needed to be signed off by the individuals' line manager. Payments in relation to successful completion of the objectives were confirmed at the annual Performance Development Review cycle when evidence was presented. Examples of actions taken for these bonus objectives included (1) investigating high water usage at Site X and reducing by 30%, (2) organising and attending at least 1 beach clean and litter pick per quarter, (3) introducing LED lighting to applicable sites in the region.

More widely, Human Resource (HR) Departments are increasingly being seen as key in supporting businesses to deliver on their sustainability aims (Mariappanadar, 2020). There are a variety of ways in which HR Departments can assist, from recruitment and development through to reward (Renwick et al., 2012). The case organization made the decision to introduce a financial incentive to achieve sustainability goals. However, motivational theorists disagree on how effective introducing extrinsic reward is in encouraging employee motivation, with some arguing it discourages motivation and others arguing in favour (E.g., Pfeffer, 2007; Folmer, 2021; Thøgersen, 2003). Self-Determination Theory (SDT) has emerged as the most well-researched and systematic motivational theory (Curren & Ryan, 2020). SDT posits that if an individual's basic psychological need for *autonomy*, *competence* and *relatedness* are met, an individual will be in an optimum situation to operate (Deci & Ryan, 2000). SDT has been well-developed and tested previously in organisations, therefore it is appropriate and effective in providing structure to this case study (e.g., Levesque- e-Côté et al., 2020; Gillet et al., 2018; Ng et al., 2012). Other emerging themes that impact employee motivation, when looking specifically at sustainability aims, are company culture and moral motivation (Chaudhary, 2019; Curren & Ryan, 2020). The former suggests that employee motivation will be influenced by a companies' culture, values, and strategy, particularly when it comes to encouraging 'green behaviours' (Ren et al., 2017; Chaudhary, 2019). The latter suggests that there is a specific nature to sustainability leading some individuals to feel morally motivated to complete 'green' tasks (Van der Werff et al., 2013, Curren & Ryan, 2020). Academics are uncovering complex aspects of motivation to complete sustainability goals, and it is apparent that there are a multitude of influencing factors, nuance and complexity in this field (Mariappanadar, 2020).

LITERATURE REVIEW

The popularity of using pay and other incentives to increase motivation has grown since the 1960s, with scholars such as Lawler and Porter (1967) arguing that employee performance can be enhanced by rewards when the structure is transparent. The impact of reward on motivation can be nuanced, with a variety of influences beyond the initial incentive that impact individuals in differing ways. Armstrong et al. (2011) take a balanced view, suggesting that the impact depends on a range of factors including industry, personality and the nature of the incentive itself, and that businesses should take an evidence-based approach. One concern

highlighted by Pfeffer (2007) is that these systems of remuneration are easily changed and updated and therefore only offer “the mirage of a quick fix” (p. 57). Instead, employers should be focusing on developing the company culture (Pfeffer, 2007). This is mirrored by Chen and Chang (2012), who argue designing company culture is the most effective approach a business can take in motivating employees to deliver specific goals. Although there is evidence that extrinsic incentives can serve to undermine intrinsic motivation, the overall evidence is far less conclusive (Folmer, 2021). Findings in practical settings are often mixed and provide limited results, therefore a more nuanced approach, as in this case study, serves to uncover why reward has varying effects on motivation (Folmer, 2021).

In 1999, a substantial meta-analysis applied the SDT framework and found that external reward not only had no impact on extrinsic motivation, but interestingly, it also damaged an individual's intrinsic motivation (Deci et al., 1999). SDT stands in opposition of other ‘carrot and stick’ motivational theories, arguing that although these theories are supported in controlled laboratory experiments, individuals can generally flourish at work if the right social context is provided for the individual, rather than reward and punishment (Ryan et al., 2019). Importantly, it has been found that personal bonuses linked to a specific outcome, as in this study, have been found to be highly contingent on employees achieving a certain goal or behaviour (Kuvaas et al., 2020). Indeed, they have been found to be more effective than increasing pay (Kuvaas et al., 2020). Within SDT, it has been found that supportive supervisors have a definite positive impact on employee motivation and that employees' individual differences have very little impact on this (Vansteenkiste et al., 2020). Merriman et al. (2016) found environmental factors influenced the effectiveness of sustainable objectives. Instead of undermining intrinsic motivation, rewards linked to environmental objectives positively impacted employees' engagement. Merriman et al. (2016) acknowledge that testing in a more practical environment would provide a more established conclusion, nevertheless this does add to the variety of factors that effect this multifaceted issue. In part, this is due to the nature of organizational behaviour, in that individuals are impacted in very specific, differing ways due to individual circumstances and personalities (Mullins, 2016).

THREE BASIC PSYCHOLOGICAL NEEDS

According to SDT, there are three basic psychological needs that, if met, can lead to increases in intrinsic motivation, wellbeing, and self-determined behaviour (Deci & Ryan, 2000). Deci and Ryan (2000) take this further, suggesting that if *competence*, *relatedness*, and *autonomy* are met, this leads to greater well-being, growth, and integrity. *Competence* refers to how far an individual feels they are knowledgeable and capable of completing a task. Organisations can increase this by providing information, training, and feedback to support individuals to build their confidence and knowledge in specific areas, which leads to a learning environment (Van den Broeck et al., 2016). Vansteenkiste et al. (2020) found that positive feedback has a profound impact on employees' feelings of competence which in turn increases an individual's interest and satisfaction. Organisations can harness this by “creating a positive learning environment and providing

opportunities for others to use their skills” (Forner et al., 2020, p.84). In order for competence to be nurtured in teams, line managers need to be able to adopt a consistent approach with all individuals (Vansteenkiste et al., 2020). *Relatedness* refers to a feeling of being connected to the workplace and the tasks set. Businesses need to develop a culture that encourages relatedness to increase motivation (Chaudhary, 2019). Chaudhary (2019) argues that it is this culture that will ensure a consistent approach from managers, which is vital to encourage teams. Kelly et al. (2008), argue that relatedness extends further than the individual, and that organisations should foster relatedness within groups. A meta-analysis into the effectiveness of need satisfaction at work has found that relatedness has more of an impact on increasing intrinsic motivation than competence and autonomy, contrary to previous research which has suggested they all play an equal part (Deci & Ryan, 2000). In terms of motivation to complete ‘green’ tasks, Chaudhary (2019) states that it is relatedness that leads to increased motivation and therefore businesses should focus on creating a climate to foster this. Martela and Riekkii (2018) argue that, without the feeling of relatedness, employees will see their tasks as meaningless and that the need for meaning in workplace tasks is vital to maintaining motivation and psychological growth. *Autonomy* is often misconstrued as the need for individuals to act in their own interests, however the intended meaning is that individuals feel trusted and in control of the work being completed (Van den Broeck et al., 2016). Houliort et al. (2002) argue that the control imposed by extrinsic rewards can have a negative impact on an individual's sense of autonomy. It would therefore follow that a bonus would reduce employees' sense of autonomy and therefore lead to lower levels of motivation. Deci et al. (2017) agree to an extent, claiming that external rewards can be successful if presented in the right way. It has also been argued that a monetary bonus can be introduced in an ‘autonomy-supportive’ way, as opposed to a ‘controlling’ approach, to motivate individuals and increase wellbeing (Deci et al., 2017). As in this study, monetary bonuses are generally performance related and would therefore fall under Deci et al. (2017) definition that encourages more controlled motivation. By the very nature of the extrinsic reward, it is unlikely that an employee would feel autonomous. This could lead to low employee motivation, however Deci et al. (2017) reason that employers can mitigate this, to some extent, by encouraging the right environment. It is clearly important for employers to understand these three basic psychological needs in order to motivate employees, nonetheless scholars disagree about how important each need is in isolation. Vansteenkiste et al. (2020) go the furthest, arguing that it is only when all three of the needs are met that individuals can move along the SDT continuum, to fully self-determined.

MORALITY

Aside from the Basic Psychological Needs of *competence*, *relatedness* and *autonomy*, a developing aspect in the field of SDT is the study of morality. It has been argued that, in certain circumstances, or due to a personal or learnt intrinsically held belief, individuals can become morally motivated to gain a level of virtuosity (Curren & Ryan, 2020). Similarly, it has been found that individuals who define themselves as having a strong environmental self-identity will work on sustainability goals because it aligns with their values (Van der Werff, et al., 2013).

Thøgersen (2003) reports that, generally individuals are motivated to work on environmental efforts by a universal, moral pressure. A recent study by Curren and Ryan (2020) found it was the basic psychological needs of *competence*, *relatedness* and *autonomy* that more predictably lead to internalization and moral self-determination, rather than self-identity and more widely communicated moral pressures. Prentice et al (2018), make the case for adding the feeling of morality to the list of basic psychological needs. Whether it should be considered a psychological need is unclear as yet, but, as Neilsen and Hofmann (2021) argue, it is understandable that sustainability, in its broadest definition, should be considered a moral responsibility and therefore it stands that individuals feel morally motivated in the workplace to complete 'green' tasks.

Clearly, there are certain practices that HR practitioners can implement to motivate employees to complete sustainability tasks, though the literature suggests it may not be as straightforward as meeting and nurturing basic psychological needs as suggested by SDT. The nature of sustainability means that individuals can be influenced by the cultural positioning of the subject within the business and by the virtuous character of the subject and strategic aims. In some instances, it may even be that culture or morality mitigate failings in meeting the basic psychological needs, suggesting that businesses could use different methods to motivate in this area to other business aims.

CULTURE

Alongside morality, workplace culture has long been identified as a key strategic component, having a far-reaching impact on employee behaviours. Indeed, it seems that organisations which align culture with strategic environmental aims increase employees' 'green' behaviours (Chen & Chang, 2012).

The HR function is central to the creation of a 'green' culture and is therefore integral in supporting the business strategy and the employees to deliver 'green' aims (Yong et al., 2019). Chaudhary (2019) offers culture and 'green policies' as the solution to Norton et al. (2015) concern surrounding inconsistency and found that Human Resource Management (HRM) can have a significant influence on employee green behaviours by providing a positive "*psychological green climate*" (p.637). In relation to sustainability, Kunz (2020) states that employers have a responsibility to create clear and engaging sustainable strategies, which in turn supports in increasing employee intrinsic motivation. Bustamante et al. (2020) make a noteworthy point in that individuals will tend to find a workplace that links to their values and interests. It is therefore difficult to decipher whether these employees have been engaged by the business after starting, or whether they have sought out the business as its external image aligned closely with their values (Bustamante et al., 2020). Clearly, the HR function can play a vital role in delivering the sustainability agenda in large organisations through the strategic impact on employee behaviour. The link between 'green' HRM initiatives and employees delivering positive environmental business outcomes has been found extensively in the literature and the field of study continues to evolve (Rayner & Morgan, 2017; Renwick et al., 2012).

METHODOLOGY

This small study follows a subjectivist philosophy and interpretivist approach. The coronavirus pandemic impacted on the study, along with the natural time constraints and access to participants throughout. Three pilot interviews were conducted to develop the questions and context, and finally twenty-two semi-structured interviews were completed of around 25 minutes each. A process of thematic analysis followed (please see appendix 4).

FINDINGS

Ahead of the interviews, the researcher was able to gather detail from three pilot interviews in order to develop the questions and approach of the research. The final questions developed through the use of these pilot interviews can be found in Appendix 1. In addition to the questions being developed, the researcher was able to determine the impact of using virtual interviews rather than face-to-face. Despite some concerns regarding participants' reactions and feelings of privacy, the online interviews held through Microsoft Teams led to honest and rich data (Lobe et al., 2020).

In total, the researcher conducted 22 interviews at a total length of 9.9 hours combined, from both male and female participants with varying lengths of service within the business (a table detailing these demographics and final count can be found in Appendix 2 and Appendix 3, respectfully). Within Appendix 2 the labelling of participants is also clear, with pilot interviews prefixed with a P and all other interviews prefixed with an N. All participants were eligible for the bonus scheme in 2021 and their roles spanned from operational roles to support team positions. There was a mix of seniority within the sample, which has added to the diversity of the data. Convenience sampling in this example proved to be an effective method and has provided an assorted range of participants all relevant to the case study (Saunders et al., 2019). As Guest et al. (2006) posit, the point of data saturation for this qualitative research could have potentially come from the natural time constraint, however in this instance the researcher found a natural point of data saturation which triggered an end point.

Thematic analysis was used to develop themes, sub-themes and codes, the coding structure developed for this study can be found in Appendix 4. These codes were developed in NVIVO 12, through a system of coding the data in a broad sense, re-coding and subsequently narrowing down the main themes based on key words and phrases that emerged regularly throughout the interviews. The NVIVO 12 support pages provide an understanding of their coding procedure (see NVivo Help (qsrinternational.com)). As predicted, although the initial learning of the system took time, the efficiencies came at the analysis stage (Hoover & Koerber, 2011). The researcher was able to cluster data with similar meaning and create sub-themes and themes from these results (see Appendix 4). Some themes, although not directly relevant to this study, will serve as interesting fields of research for

future and further study. It would have been advantageous to have the data coded by other individuals for peer review, however the researcher was able to code the data multiple times to refine the detail and mitigate bias (Braun & Clarke, 2020).

DISCUSSION

Within the modern literature on organisational behaviour, it is argued that individuals who feel self-motivated, or intrinsically motivated, are more likely to take up tasks without much persuasion (Deci & Ryan, 2000). Theorists disagree about the extent to which offering financial incentives de-motivates these individuals. Deci and Ryan (2000) however, have found over years of research that there is evidence of the de-motivating effect as those individuals feel the reward diminishes their personal attachment to the task. Throughout the interviews, it became clear that many of the interviewees felt they were self-motivated, as they did not have the language to describe the reasons for their determination and motivation in the workplace. Of the 22 individuals interviewed, 16 were clear on their self-motivation and therefore, it can be ascertained that they had at least some intrinsic motivation. One individual described their motivation as “*just my nature*” and another talked about their natural “strong work ethic” (Participant N11; Participant N17), these were repeated themes throughout. According to the SDT literature, a reasonable assumption would be to predict that due to this, the sustainability bonus has in fact had a negative impact on most employee’s intrinsic motivation (Deci & Ryan, 2000). It may also be assumed that without the bonus objective, many of these self-motivated individuals would be completing the tasks assigned as part of their wider role. Of all the participants, only two stated that they would not be completing their current sustainability tasks if they had not introduced the bonus, stating that they would instead be focusing on “providing more profit” (Participant N8). Others felt more ambivalent as demonstrated in this statement:

“I wasn’t fazed by it at all, I didn’t necessarily think it was a good idea or a bad idea, every year since I’ve been with [the business] there’s been some kind of bonus objective, which is not necessarily entirely linked to your role. So this was just another” (Participant N11).

The difference between these seemingly ambivalent employees and others who felt it was positive relates to Folmer (2021), in that it shows the link between financial incentives and motivation is a nuanced issue.

In addition to this, one individual suggested that it is not only the clear deadlines that the bonus encourages:

“by nature of the PBO, it will encourage more people to do more things and it’s given us license to concentrate on those things, perhaps more than we’ve done before” (Participant N11).

The 'license' the business is giving also suggests a consistency across all levels and an environment in which individuals feel comfortable to develop ideas and feel part of the solution.

Generally, those interviewed confirmed they felt self-motivated; however, they conveyed an appreciation of the bonus as a mechanism to deliver sustainability goals in an urgent and focused manner. There were no real indications that the bonus has diminished their intrinsic motivation to complete sustainability goals, instead there was a sense that they had been granted permission to concentrate more time on sustainability.

COMPETENCE

As this research uses SDT as a framework, questions relating to the three basic psychological needs were built into the interviews. SDT suggests that individuals feel more motivated when provided with the correct tools to support them in feeling they have the required expertise to complete any given task (Ryan & Deci, 2000). Two ways in which competency can be fostered in workplaces is through feedback and training (Van den Broeck et al., 2016). During the analysis of the data, it became clear that in terms of meeting the need for competence, there was a mixed response.

Some fifteen participants referred to the instruction and communication as "unclear", with some individuals explaining that they did not remember receiving the communication about this bonus at all. Participant N14 described the communication as follows;

"A lot of the time when information is passed down about projects or stuff that's coming up, it's half the information. So, we start doing things without really knowing what we're meant to be doing."

Half of the participants stated that the bonus was set by their line manager with no discussion about what they would be. The majority did feel there was good managerial support around completing their bonus, however eight individuals felt they had absolutely no support or training available to them to reach their goals in this area. One individual suggested that training around the sustainability bonus would have been useful:

"I'm sure there is something... but no, otherwise I'm not aware of anything. I don't think any training has been communicated.... It would be quite good if they could do like training sessions on it like they do through Teams. Focus on certain things. I think that would be useful.... We have to learn how to deliver it" (Participant P2).

Many felt that they would or have already received some informative feedback from their manager, however the usefulness of the feedback was questioned by some individuals. Participant N16 states that they will "probably get some

feedback, whether it's constructive... I don't know". There is certainly an indication here that the approach is inconsistent and relies on management capability and management style. The following quote from Participant N13 demonstrates these concerns:

"The only instruction really was when I think towards the end of May my PBO's finally ping through to me on [the system] and ... I read through and saw what they were. Because there's been no discussion prior to that as to what they might be, I had an idea over one of them, but again, it's not really how I would've thought PBOs would have been structured and laid out as in that, you know, I just thought it should be personal and should be agreeable, as something that's agreed between your manager and yourself. I was a bit surprised when mine came through the way they did."

Clearly, for some there was a lack of information reaching their level and they were tasked with objectives that they did not feel completely skilful in. This comes back to the feelings of inconsistency and a need for all managers to be at the same level when delivering these objectives. Van den Broeck et al (2016) argue that by providing training and feedback, workplaces can create a learning environment that fosters more motivation. The support and competency of supervisors can have a real impact on employee motivation, and therefore inconsistencies here will have had an impact on different individuals (Vansteenkiste et al., 2020). According to the literature, because these participants did not feel fully competent in completing their bonus tasks, it can be assumed that these individuals feel unmotivated, as they are unable to feel like experts (Ryan & Deci, 2000).

RELATEDNESS

The second of the three basic psychological needs is relatedness; this has been argued to be the most important of all the needs to foster motivation (Deci & Ryan, 2000). Specifically, in terms of 'green' tasks, it has also been argued that individuals need to feel connected to find meaning in the work (Chaudhary, 2019; Marella & Riekkilä, 2018). As previously stated, most individuals stated that they felt self-motivated, and yet the thematic analysis has shown that nine individuals identified as having no interest in sustainability at all.

Despite this, most individuals stated that they had an interest in sustainability outside of work, which proposes that these individuals found it easy to work on sustainability bonus actions (Chaudhary 2019). It is clear that the case organisation has set the goal to become industry-leaders for sustainability and it may therefore be, that many employees have sought employment in the business as they perceived it aligned with their beliefs (Bustamante et al., 2020). Some went as far as to describe their actions in this area as "unconscious" and explained their previous interest in the subject. Of all the participants, only one stated that they are entirely uninterested in sustainability outside of work. Participants were explicitly asked whether they felt the business cared about sustainability and

whether this was important to them. The majority agreed that it was important for them to work for a business that cared about sustainability. In this sense, the business is creating relatedness simply by aligning the wider strategy of sustainability through the bonus objectives for 2021. Moreover, the participants were overwhelmingly interested in sustainability outside of work, describing it as “more just a way of living” (Participant N8). Thus, it could be argued that the business has attracted employees that already feel connected to sustainability goals, and therefore does not need to put in effort to ensure individuals feel connected to sustainability.

There was, however, a sense that some individuals did not fully understand the reasoning behind the bonus. As above, some felt they did not fully understand the message, therefore the tasks may then lack meaning for them (Martela & Riekkilä, 2018). One manager was grappling with how to deliver the message of sustainability and the bonus to the wider team:

“No one’s bought in to it... I said to the guys about sustainability, and they are like ‘how is that sustainability?’ and we spoke about it and then I’m trying to sell it to them. But I have not bought it myself... So, I can only sell something that I’m passionate about, it’s just simple as that” (Participant N10).

Deci & Ryan (2000) warn that without this meaning in particular, full self-determination is difficult to reach. Participant N5 felt that there would be no need for a bonus if individuals were taught the importance of these goals:

“I think if people realize the importance, that that actually would be a driver of sustainability without any monetary benefits or bonus.”

This suggests that one individual felt that by simply explaining the importance and reasoning behind sustainable activities, the business could do away with monetary incentives all together. It would stand that these individuals did not therefore feel motivated as the task lacked meaning for them (Martela & Riekkilä, 2018). There is certainly a sense that the participants felt naturally connected to the subject and it was just the minority that felt it lacked the appropriate reasoning.

AUTONOMY

Feeling autonomous is the third and final need that scholars have stated requires to be met to foster motivation, and this is the feeling of being trusted and in control of workplace tasks. Some individuals felt strongly that they would not be able to achieve their objectives:

“I came into a role with PBO’s sort of midway through the process. I don’t know when everybody had theirs, but to have midyear targets set when you have a month to go is not very realistic” (Participant N13).

One theme that came out of the interviews was whether they felt the objective was achievable or not, the reaction was mixed with some saying:

“...we’re cramming 12 months of sustainability work in to just 6 months.”
(Participant N12).

And others feeling that:

“...the target that is set for this site is very achievable... so you don’t have to really go out of your way to do extra” (Participant N6).

This echoes the perceived inconsistencies that individuals felt in the management approach to objective-setting. To feel autonomous, individuals need to feel trusted to complete the work, and although there was no theme found for micromanagement, it was found that many felt their objectives were ‘dictated’ to them and not negotiated and agreed. This is worrying as Houliort et al. (2002) suggest autonomy is the most likely need to be negatively affected by external rewards due to the natural implication on control. When asked whether they felt the objective was achievable, Participant N8 mentions that;

“They talk about all these wonderful visions for the future, but they could be better at making it more deliverable”.

This puts the onus on the company to create consistent and achievable objectives that align better with the wider business strategy.

Intriguingly, despite lack of autonomy indicators and, to a lesser extent, the other needs, the majority of participants felt completely in control and confident that they would achieve their goals by the end of the year. Some individuals with indicators for lack of autonomy, competence and relatedness still felt in control of completing their objectives, highlighting the need for further investigation into moderating factors.

WORKPLACE CULTURE

Throughout the interviews it became clear that the three psychological needs were not the only influences over the motivation of the participants, and many made comments that directly attributed influence to the company culture. Most participants felt that the company cares about sustainability. Some went as far as to explain that since working for the business, they have developed more sustainable practices outside of work as a result:

“Having worked for [the business] and having that culture around me all the time, it makes me make the effort so, just for a simple example, of like ... recycling. My recycling has gone through the roof compared to what I used to recycle like before” (Participant N5).

None of the individuals interviewed were surprised at the decision to offer this bonus, and many referred to the general feeling that this was encouraged by the

senior team and throughout the rest of the management structure. It was also suggested that the bonus is not only a result of the culture, but it will also serve to drive this culture further as it is developed in the future (Participant N5). This alignment with the culture may go some way to explain why many felt in control of their bonus objectives, despite not feeling they have the support that would foster more motivation through the basic psychological needs. Chaudhary (2019) certainly found that culture was vital in encouraging 'green' behaviours, and the findings seem to confirm that a positive culture is a key indicator of motivation for sustainability goals. Kunz (2020) suggests that by creating clear sustainable strategies, businesses can increase their employees' intrinsic motivation. The case business has incorporated an aspect of sustainability into its core values and critical success factors, which does support in educating employees and spotlighting this as a concern. This was shown within the analysis as most participants stated they were not surprised by the introduction of the sustainability bonus as this was one of the businesses "*key values*" (Participant N6).

From the interviews it can be determined that many understood that the bonus came as a direct result of wider strategic activity within the business and that this was a positive step:

"Certainly, in the last few years they've [the case business] really focused massively on sustainability" (Participant N4).

"I think it is good that you can see the company as a whole is trying to make positive changes" (Participant N3).

None of the participants were shocked or surprised at the decision to bring in this bonus and many referred to the general feeling that this was encouraged from the senior team and throughout the rest of the management structure:

"Actually, I'm a lot more convinced now that there are more people participating and driving it through a sense of it being the right thing to do, rather than it being good for PR. I mean its good for those things as well, but I think there is a more genuine commitment to it now from individuals in the organization and the management teams than there was before... I think we've all seen the benefits of it" (Participant N15).

It has also been suggested that the bonus is not only a result of the culture, but it will also serve to drive this culture further as it is developed in the future. This aligning with the culture may go some way to explain why many of these individuals feel in control of their bonus objectives, despite not feeling they have the information or support that would foster more motivation through the three basic psychological needs.

MORALITY

Interestingly, there was another repeated theme mentioned by thirteen of the participants and that was the description of the sustainability bonus as, in some way, 'nice'. Many of the participants felt that the bonus was an easy one for them to complete and that the action taken was positive for all members of the team. Some also saw it as completely different from previously set bonus objectives:

“Rather than a business-led or profit led, or you know... it's...a target that you can reach, which is completely outside of the box, which is nice” (Participant N9).

Around 16 of the individuals showed some level of scepticism, with some stating that there are good intentions, but that focusing on sustainability is to boost “corporate image rather than really a genuine care” (Participant N13). Participant P3 goes further, stating that:

“Because it's full of good intentions ... it's hard to find figures to prove, particularly in this first year, that what you're doing is actually making a difference.”

More evidence is needed in a future study to discover whether the impression of the bonus as nice, moral, and full of good intentions, leads to effective action or whether it is more superficial. In the same way that Participant N11 stated that being motivated was “just my nature”, Participant 17 mentioned that they were “naturally driven” to focus on sustainability. This was a repeated theme and suggests a deeper need to work on sustainability and a suggestion that these individuals link sustainability to their self-identity. This is of particular interest as Van der Werff et al. (2013) suggest that individuals that have a strong environmental self-identity are more inclined to work on sustainable tasks. Taking this point, it could be ascertained that some of these individuals are motivated to complete sustainability tasks because it is simply in their 'nature'. There is certainly a morality piece here, with the majority of individuals feeling that due to the link with sustainability, this aspect of the bonus was somehow more favourable and achievable than other objectives.

In summary, the research has uncovered culture and morality as factors that influence the impact of the bonus on employee motivation to complete sustainability goals. The three basic psychological needs were not fully met by the employer, and yet employees felt motivated to complete their actions as part of their bonus. The results suggest that businesses should focus on management capability to drive consistency, attracting individuals who align with the business strategy and continuing to take time to cultivate a culture that strives to deliver sustainability. SDT is developing to incorporate some of these themes and this research suggests that culture and morality should not be ignored when discussing motivation and sustainability in contemporary organizations (Curren & Ryan, 2020; Chaudhary, 2019).

CONCLUSION

As part of a growing literature on the impact of Sustainable HR practices on employees, this research found that extrinsic rewards are unlikely to disincentivize individuals working on sustainability tasks. The findings uncovered that sixteen participants considered themselves 'self-motivated' and therefore, had confidence that they would complete these new bonusable objectives. There is evidence that suggests the participants are well-versed in sustainability and operate within a well-developed culture that encourages green behaviours at every level. Only two of the interviewees stated that without the bonus, they would not be completing their sustainability objectives. From the data it is possible to glean a sense of focus that the bonus has brought and a license to work on sustainability goals over more profit-led tasks. The impact the bonus has had is as follows; it has brought a focus to individuals who are naturally motivated to complete sustainability goals, it has set a financial incentive for those who are not naturally inclined to work on sustainability which has increased their motivation and it has added to the HR practices already in place to support in the development of the sustainable culture and strategy.

In this case study, it was found that the three basic psychological needs were not generally met, however employees felt motivated to complete their bonusable actions. What cannot be determined by this study is how having these needs met could have impacted the outcome for the participants. It is clear, however, that despite the needs only being partially met, individuals still felt motivated to complete their sustainability tasks.

In this instance, the research suggests that morality and business culture have a positive impact on motivation, which are effective even in this case where participants did not have the three psychological needs fully met. SDT is developing to include a moral self-determination thread; and this study supports this progression, particularly when discussing sustainability (Curren & Ryan, 2020). It follows from the literature that many individuals with strong internal beliefs and interests in sustainability were unfazed by the introduction of the bonus and saw it as encouraging. There is clearly a strong link between 'green' self-identity and motivation to work on sustainability objectives. In addition to this, it could also be surmised that individuals with certain values and interests are joining the case business due to the strong company brand that aligns with their own identity. This study posits that company culture should also be included as a backdrop to discussions about employee motivation. Business strategy which incorporates sustainability forms part of this discussion, with many individuals stating that they felt the business cared about sustainability. All but two of the individuals stated they would be completing the sustainability tasks, whether there was a bonus or not, therefore it cannot be understated that this synergy has positive effects on employee motivation. This is significant, because it demonstrates the potential benefits of an extrinsic reward system, if used in line with a wider sustainable business approach. Contrary to a wide body of literature, this research suggests that businesses should not be concerned about the potential damaging impact of extrinsic reward for sustainable efforts if the implementation is well thought out and purposeful, in line with business strategy.

LIMITATIONS

Whilst the case study makes important contributions to the literature, there are natural limitations in the scope and context of this research. By completing a case study, the participants and data are specific to just one company at one time and therefore expanding this to a more diverse range of companies would develop the study further.

FUTURE RESEARCH

The transcripts collected in this study were varied and highlighted many different strands that could be followed to further study. In particular, the literature could develop an understanding of the quality of work delivered through these moral motivational factors. Although it does show that individuals feel it is 'right' to complete the tasks, it is not yet clear whether the tasks completed will be sufficient to deliver the sort of creative sustainability agenda required over the next decade. There are already theorists looking at the impact of culture on attracting talent, but further literature on sustainability and the impact of businesses attracting these individuals would be a fruitful school of literature for modern business leaders. The concept of 'Sustainable HRM' is currently a vast phenomenon that would benefit from further research to provide clearer parameters and evidence-based propositions for practical workplaces. As such, further studies using SDT to investigate motivation in the context of Sustainable HRM will develop the research approach used in this case study. Due to the restrictive nature of a cross-sectional case study, it would be advantageous to further the research by reviewing a wider range of businesses using a longitudinal study and the various practices and initiatives that HR departments are reaching to in contemporary workplaces.

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APPENDICES

APPENDIX 1: SEMI-STRUCTURED INTERVIEW QUESTION GUIDE

Interview questions

Are you comfortable with me recording this? The video and audio will not be shared under any circumstances; it will just support me in getting the transcript to add to the final report.

Introduction

Do you have any questions or concerns before we start?

- 1) **Please can you talk a little about your role in the organisation?**
- 2) **How far do you feel you work for an organisation that cares about sustainability?**
 - a. To what extent is this important to you?
 - b. What does sustainability mean to you?
- 3) **Forgetting briefly about sustainability, can you talk about what motivates you at work to achieve specific goals (more generally)?**
 - a. 2nd Is this different to what drives you to complete sustainability goals?
 - b. Is this different to what motivates you outside of work?
- 4) **Can you tell me a little about how you felt when the sustainability annual bonus provision was communicated?**
 - a. How clear do you feel the instruction was/is?
 - b. What did it mean to you that the company decided to do this?
- 5) **Can you talk about how confident you feel in achieving your sustainability goals as linked to the bonus?**
 - a. What is your impression of how the actions were set?
 - b. Did you decide on your bonusable actions for sustainability?
 - c. Do you feel in control of achieving your bonusable actions?
 - d. Do you feel the work you are doing as part of your sustainability bonus is having a positive impact?
 - e. Do your bonusable actions link in with your role?
- 6) **More generally, how would you go about working on sustainability actions during your working day?**
 - a. Do you have an interest in sustainability outside of work?
 - b. Can you talk about any opportunity you've had to design a sustainability project?
 - c. Can you describe what you did for this project?
 - d. What did you like about that project or experience?

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- e. What did you dislike about that project or experience?
- 7) **Can you talk about how confident you feel in achieving sustainability goals in general?**
- Can you give a specific example of this?
 - Can you describe the process and how you felt?
- 8) **What support and training is available to you to guide the sustainability agenda?**
- How far is your supervisor able to support you in achieving these goals?
 - Have you received feedback on your sustainability efforts?
 - Do you feel confident that you will receive feedback as a result of the bonus being set?
- 9) **Would there be a more effective way of motivating you to work on the sustainability agenda?**
- 10) **Do you have any other comments you would like to add?**

Demographic questions (if you are happy to answer, these questions are not mandatory)

Gender

- Male
- Female
- Other
- Prefer not to answer

Age

- 15 - 30 years old
- 30 - 45 years old
- 45+
- Prefer not to answer

Years working at XXXX

- 0 – 5
- 5 – 10
- 10 – 20
- 20+

Thank you for your time and for participating. This will all be completely anonymous, and I will ensure your data is kept confidentially. You've got my details in case you have any questions, or you'd like to withdraw your contribution, otherwise that's the interview concluded. Thank you again.

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APPENDIX 2: INTERVIEW PARTICIPANT DEMOGRAPHIC DATA

Participant	Gender	Age	Years working in the business
1 : N1 Dissertation Interview	Male	30 - 45	10 to 20
2 : N10 Dissertation Interview	Male	45+	10 to 20
3 : N11 Dissertation Interview	Male	45+	5 to 10
4 : N12 Dissertation Interview	Male	45+	10 to 20
5 : N13 Dissertation Interview	Male	30 - 45	0 - 5
6 : N14 Dissertation Interview	Male	30 - 45	10 to 20
7 : N15 Dissertation Interview	Female	30 - 45	10 to 20
8 : N16 Dissertation Interview	Female	45+	10 to 20
9 : N17 Dissertation Interview	Male	45+	0 - 5
10 : N18 Dissertation Interview	Female	45+	10 to 20
11 : N19 Dissertation Interview	Male	45+	0 - 5
12 : N2 Dissertation Interview	Female	45+	0 - 5
13 : N3 Dissertation interview	Female	30 - 45	0 - 5
14 : N4 Dissertation Interview	Male	45+	0 - 5
15 : N5 Dissertation Interview	Female	45+	0 - 5
16 : N6 Dissertation Interview	Unassigned	Unassigned	Unassigned
17 : N7 Dissertation Interview	Male	45+	5 to 10
18 : N8 Dissertation Interview	Male	45+	5 to 10
19 : N9 Dissertation Interview	Male	30 - 45	0 - 5
20 : P1 Dissertation Interview	Female	30 - 45	10 to 20
21 : P2 Dissertation Interview	Prefer not to answer	Prefer not to answer	Unassigned
22 : P3 Dissertation Interview	Female	45+	10 to 20

APPENDIX 3: PARTICIPANT INTERVIEW DATA

Total participants	22
Average interview length (minutes)	27.0454 5
Total interview time - data used (minutes)	595
Total interview time - data used (hours)	9.91666 7

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APPENDIX 4: THEMATIC ANALYSIS CODING STRUCTURE

Theme	Sub-theme	Code
COMPETENCE	POSITIVE	Managerial support Good feedback Clear information Easy to find the information
	NEGATIVE	Unclear instruction No support or training Inconsistent approach Not communicated No real feedback from manager Education of sustainability is key
MOTIVATION	FINANCIAL	Bonus makes me focus on specific tasks Financial incentive motivates Motivated by PBOs Would not be doing it without the PBO
	NON-FINANCIAL	Self-motivated Sharing ideas is more motivating Targets motivate me Ambivalent – business is always adding something like this Objectives do not need to be financial People motivate me
CULTURE	POSITIVE	Company cares about sustainability Business encourages behaviour Buy in from the top Bonus helps to drive culture
	NEGATIVE	No buy in

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RELATEDNESS	POSITIVE	Interest outside of work Does it unconsciously Previous interest in sustainability Educated in sustainability
	NEGATIVE	No interest outside of work Uninterested in sustainability
SKEPTICAL	What I have been asked to do is not sustainable Dirty industry link to sustainability Should not be linked to a PBO Would be nice not to have to have a PBO for this The reality of the business is very different No direct impact on business Action taken is not helpful Disappointed we felt we needed to do this	
AUTONOMY	POSITIVE	Confident Achievable
	NEGATIVE	Not enough time to complete Not achievable Out of my control Set by manager no discussion Dictated
MORAL 'SUSTAINABILITY' BONUS	'Nice' bonus Action taken is positive Good intentions	
SUSTAINABILITY SKEW	Environment skew Wider understanding – link to wellbeing	