



Motivational Elements of Employees as a Competitive Advantage of Companies in the Conditions of Globalization

¹Maria Zilincikova, ²Katarina Repkova Stofkova
^{1,2}University of Zilina, Univerzitna, Zilina, Slovakia

Abstract: The article analyzes with the analysis of the influence of incentive elements on the motivation of workers to better performance and satisfaction, across the whole active population in the context of the new economy. For specific generations, motivational incentives are diverse. The main reasons of using the award, recognition of the performance and motivation are long-term sustainable good relationships in the workplace, as well as demonstrable work successes and, last but not least, an increase in the success of the whole company. Different incentive elements also used in the Slovak Republic and other European Union countries. A majority motivation characterizes Slovakia through financial evaluation. However, recent years indicate a change of mindset of employers and employees. The population of the Slovak Republic is ageing, the retirement age is increasing, which demographically affects the development of the labour market. The age structure of the society suggests that everyone has a better performance stimulant. Motivating incentives that can offset the employee's financial remuneration become a competitive advantage for businesses. Recently, the state has been helping businesses to stimulate employees properly through holiday vouchers. In the future, it expected that it would be just incentive elements that will attract potential employees to companies and secondly it will be the financial evaluation of the employee. Slovak society can be inspired in many ways by other European Union countries. In contrast, the Slovak Republic still has many professionals in the areas of health, education, engineering, and many others. The paper points to changes related to the demographic development of the company, the change of motivation for permanent and new employees. The aim is to anticipate the possible development of incentives and the incorporation of new elements of motivation into human resource management in companies. Autoregres prepared in MATLAB. The article deals with the prediction of the selection of individual incentives for specific age groups of employees.

Keywords: Employees, Human management, Incentive development, Motivation, Prediction

1. Introduction

Employee interest in incentives is continuously increasing. Companies are looking for new opportunities to motivate their employees to better performance, as well as ways to encourage employees in the company continually. The labour market in Slovakia is continuously changing, and therefore, it is essential to focus on employee satisfaction. Over the last decade, there has been a massive outflow of professional workers abroad. Consequently, we focused on developing an article on incentive elements of employee motivation, as they can motivate diverse age groups of employees as well as attract new employees. In modern management requirements, the fundamental condition for the competitiveness of companies in the real movement of the personnel. Staffs were and remained a strategic import source of the company and therefore, an essential factor in shaping and procuring its competitiveness (Ekonom, 2017). Employees as a priority planned part of the company have a comprehensive, measurable and qualitative report. The future rise of information technology also contributes to the change of all apparatuses of the human resource management system in business evaluation, planning, organization, as well as incentives for staff motivation (Tetiana et al., 2018).

The evaluation of the effect of employee's incentives is characterized as a tool by which companies achieve management functions. These include increasing product sales to maximize profits, extending the dimension of activity to market survival. The classification of workers has many objectives.

Most commonly, the assessment was developed by McGregor, a leading human resources development specialist (1960), who primarily looks at the administration, which is based on objective and systematic personnel decisions. In practice, this means deploying employees, moving them and paying them as well (McGregor, 1960; Repkova Stofkova et al., 2018). External motivation includes not only financial rewards but also the improvement of the ego and recognition from the same age groups or avoidance of guilt or shame on the part of colleagues. These phenomena are noticeable with apparent goals. For example, it was proving that one can fulfil a specific duty and fulfil tasks because it is in harmony with personal values. Above all, be the right person (Ryan and Deci, 2000).

2. Analysis of Population Structure and Motivation of Individual Generation

Many factors affect the age structure of the population: birth rate, mortality, external migration. Several factors generally influence gender in society. In the case of a large set of births, it is valid that more boys are born than girls. It is a biological principle, when the ratio between the sexes in the matter of reliable statistics moves at the level of 1040 - 1070 boys per 1000 girls (Center for Historical Demography and Population Development of Slovakia, 2017). One of the main determinants is the different mortality rate between men and women. Differential mortality diminishes gender differences at birth. Generally, men have a higher mortality rate, reducing the overall gender gap. Subsequently, the proportion of men and women gradually equalizes, and, in the end, women survive in higher numbers. It is the age in which both sexes are balanced that relate to the range of differences in mortality rates between men and women as well as their evolution since birth. External migration can also play a significant role in shaping the gender ratio. If we consider the most frequent departures in the case of foreign migration, these are mainly people of working age (20 - 40 years). Especially in labour migration, men retained their predominance in the Slovak Republic. In many cases, however, the transitional labour migration has become permanent.

This simplified model of migration in the Slovak Republic has been valid since the second half of the 19th and at the beginning of the 20th century. All this also affects the development of the masculinity index in the general population. In the demographically advanced society, this index moves at levels of less than 1000 people (Center for Historical Demography and Population Development of Slovakia, 2017).

2.1 Population Structure of the Slovak Republic

In 2019 there were 5 454 147 inhabitants, of which 2 663 214 men and 2 790 933 women (Statistical office of the Slovak Republic, 2020). However, the economically active population is only 2,725,000 in the year, which is also since the people of the Slovak Republic is ageing, and few children are born. For this reason, the Government of the Slovak Republic is setting measures to increase the number of the active population and better conditions for young families to give birth to more children (Statistical office of the Slovak Republic, 2020).

Table 1: Economically active population (Percentage of age distribution 2019 total)

Indicator	Economically active population									
	Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Sum	2 706	2 680	2 706	2 715	2 722	2 738	2 758	2 755	2 746	2 725
15-24	246	226	222	217	211	209	206	203	190	164
25-34	765	740	742	729	711	704	702	676	664	646
35-44	705	703	716	741	767	778	788	793	790	786
45-54	683	682	670	658	651	646	644	641	654	657
55+	307	329	356	370	382	401	418	442	450	472

Source: Statistical Office of the Slovak Republic, 2020

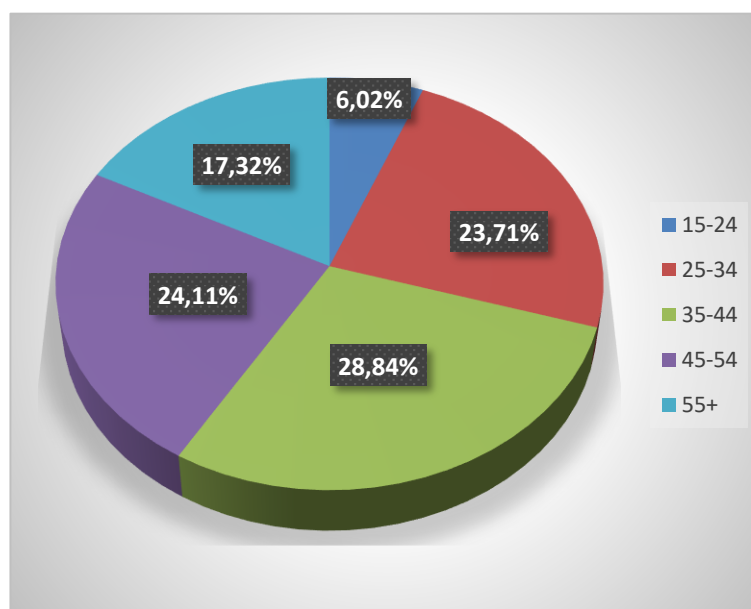


Figure 1: Percentage of age distribution 2019 total

Table 1 above represents the total number of economically active inhabitants by age. Since 2010, the active population has grown by 19,000. The course of the financially active community has a similar trend within ten years. The values do not differ by more than 52,000 inhabitants, which is only a difference of 0.0019% from the current year 2019.

The economically active population has not changed much in the individual age groups over the years. The most significant year-on-year changes can be seen in the age group of 15-24 years by 82 000 inhabitants. Similarly, in the age group 25-34 by 119,000 inhabitants, where there was a decline from 2010 to 2019. The active population of the age group 45-54 did not change much, year-on-year, only by 26,000. The age group 35-44 increased by 81 000 inhabitants, as well as the age group 55 and more by 165 000, which showed an increase. Graphical representation of the percentage of the total active population about the age structure in the Slovak Republic is shown in the following chart no. 1. The most substantial part of the busy community is the age group over 35-44 with 28.84%. Followed by 45-54 years with 24.11%, a similar group is an active population aged 25-34 with 23.71%, a slightly smaller group are active residents aged 55 and over with 17.32%.

The smallest group of the active population is 6.02%; they are young people aged 15-24. This group has the lowest share of all. The reason is that a large percentage still study and devote themselves to education and training, so it does not appear in the active population.

Table 2: Economically active population (Percentage of age distribution 2019 men)

Indicator	Economically active population										% of age 2019 men
	Year										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Sum	1 497	1 496	1 507	1 506	1 510	1 505	1 511	1 504	1 506	1 497	100,00
15-24	147	143	138	135	133	129	129	124	120	105	7,01
25-34	446	434	433	428	421	412	406	397	389	384	25,65
35-44	369	376	387	398	414	419	428	433	434	432	28,86
45-54	346	344	340	333	329	327	325	325	332	335	22,38
55+	191	197	209	212	215	218	223	225	231	241	16,10

Source: Statistical Office of the Slovak Republic, 2020

Table 3: Economically active population (Percentage of age distribution 2019 women)

Indicator	Economically active population										% of age 2019 women
	Year										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	
Sum	1 209	1 184	1 199	1 210	1 212	1 234	1 247	1 251	1 240	1 228	100,00
15-24	99	84	84	82	79	80	77	79	70	59	4,80
25-34	320	306	308	301	290	292	296	279	275	261	21,25
35-44	336	327	330	343	354	358	361	360	356	354	28,83
45-54	338	338	330	325	321	319	319	316	321	323	26,30
55+	116	129	147	159	168	185	194	217	218	231	18,81

Source: Statistical Office of the Slovak Republic, 2020

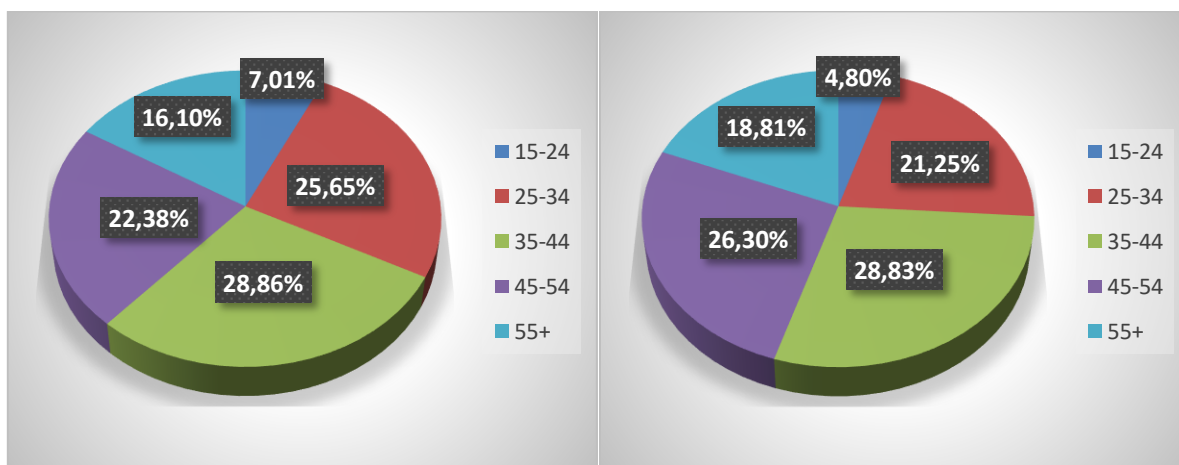


Figure 2: Percentage of age distribution 2019 men

Figure 3: Percentage of age distribution 2019 women

Graphical representation of the percentage of the total active population in relation to the age structure in the Slovak Republic is shown in the following Table 1. The largest part of the active population is the age group over 35-44 with 28.84%. Followed by 45-54 years with 24.11%, a similar group is an active population aged 25-34 with 23.71%, a slightly smaller group are active residents aged 55 and over with 17.32%. The smallest group of the active population is 6.02%; they are young people aged 15-24. This group has the smallest share of all. The reason is that a large percentage still study and devote themselves to education and training, so it does not appear in the active population.

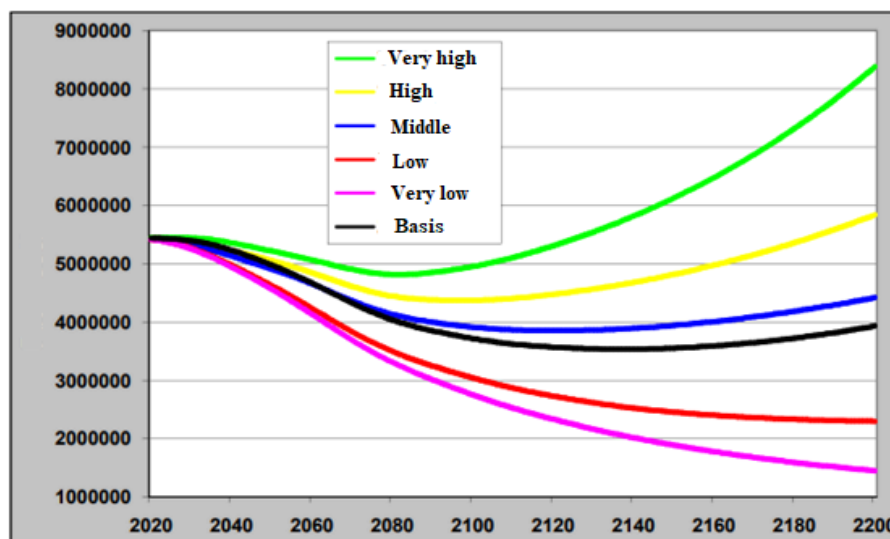


Figure 4: Prediction of the Slovak population development until 2200

The left axis of the graph expresses the number of inhabitants. Population projection until 2200 - in Table 2 and Table 3 shows the statistical values of the economically active population from 2010 to 2019, separately for men and women. The graphical representation is in graph no. 2 and no. 3, where we see the percentage of men or women in separate age groups. If we look at the total economically active inhabitants in terms of age construction and sex in 2019, we find that the active population of men is higher, i.e. at 1 497 000, women are 269 000 less. Men differ from women mainly in the 25-34 age group, where men with 25.65% and women with 4.4% less make up the larger active population. The second noticeable difference is the 45-54 age group, which has the opposite character, and the difference is 3.92% more women working than men. Women under the age of 15-24 make up only 4.80% of the active population compared to men, with 7.01% of the same age. The 35-44 age group is at the same level, the deviation is scarce, with only 0.03% more men working in 2019.

2.3 Employee Motivation

In terms of employee motivation, it is necessary to contemplate the age structure of the populace. It is the age that predetermines motivating elements suitable for individual groups of the active population of the Slovak Republic. Business managers must be perfectly informed with relevant data on the numerical and qualitative composition of employees. Motivation level is focused on the orientation of personnel in terms of improving their activities in the direction required for the company. Creation of evaluation scheme to motivate staff composed in terms of given precision, objectivity, application, simplicity, as well as suitability and clarity. It is ultimately a multifaceted multidimensional method, as they characterize it Aquilano, Chase & Jacobs (2004). "Show effect" have incentive elements of motivation, such as gifts that attract the employee. Unlike money, they are a reward for an employee that tells the employee's family how they deserve reward by their good performance. They are particularly preferred for the ages of 45-55 and 55 and over.

Table 4: A classification of human motivation

Regulatory styles	Motivation	Extrinsic motivation				Intrinsic motivation
		Extrinsic motivation	Introjection	Identification	Integration	
Associated process	Low perceived competence. Nonrelevance.	The significant aspect is external rewards and punishments.	Ego involvement. Focus on approval from self or others.	Conscious valuing of activity. Selfendorsement of goals.	Hierarchical synthesis of goals. Congruence.	Interest / Enjoyment. Inherent satisfaction.
Perceived locus of causality	Impersonate	External	Somewhat external	Somewhat internal	Internal	Internal

Source: Ryan & Deci, 2000

Table 4 above is expressed by the scale where the employee (man) is located. An individual is a motivating person and who is passive. The right side of the table represents an active person. The more the employee moves in the table to the right, the more internalization is typical to him. It means that he has more commitment and perseverance. This person is also internally motivated (Gey van Pittius-Bergh, 2018). The type of external regulation is the least autonomous type of external motivation where an individual feels under control and wants to take action to receive a reward for it. Introjection is where the individual will do the activity (Daneshjo. et al., 2016). He wants to avoid guilt or anxiety or to get to increase his ego or his pride. Employee identification is a more autonomous type of external nature of motivation because the individual has signed the event as personally significant. Integration is the most autonomous type of external motivation and is also identified by the fact that individual regulations have been fully adapted to themselves (Ryan et al., 2000).

3. Methodology

The article aimed to define incentive elements of employee motivation to the respondent's age. Subsequently, primary research has been conducted that has focused on motivating elements for the employee, which will increase and improve his / her work performance, which will lead to an increase in the company's ability to compete in today's globalized world.

Size of the sample is calculated from the total number of employees of self-government offices participating in the survey – 196.

3.1 Calculation of a Sample of Respondents

Given the size of the base sample, we used a calculation for the size of the base files, using the following formula:

$$n \geq t_{1-\frac{\alpha}{2}}^2 * \frac{\sigma^2}{\Delta^2} \quad (1)$$

$$\sigma = \sqrt{p * (1 - p)} \quad (2)$$

The principle used is suitable for the binomial distribution, and in the case of the alternative and multinomial distribution, it is necessary to modify this method.

Where:

- n - the minimum sample size (minimum number of respondents),
- $t_{1-\alpha/2}$ – reliability of estimation, critical value determined from tables,
- σ^2 - the variance calculated from the standard deviation,
- Δ - the maximum allowable margin of error,
- N – base file size.

Then we put the values into the formula:

$$p = 0,5$$

$$t_{1-\alpha/2} = 1,96$$

$$\sigma^2 \Rightarrow \sigma = \sqrt{p * (1 - p)} = \sqrt{0,5 * (1 - 0,5)} = 0,5 \quad (3)$$

$$n \geq \frac{1,96^2 * 0,5^2}{0,07^2} \geq 196 \quad (4)$$

A questionnaire survey was carried out on this sample, after substituting the values into the formula for the large sample population calculation. We found that at 95% confidence and the maximum permissible error margin of $\pm 7\%$. The minimum sample size was 196 respondents. It can be stated that the requirement to meet the minimum sample size has been met.

Other methods that were used in this written form were the method of induction and equally deduction. Stated methods used in the evaluation of primary research. The last method applied was the synthesis method. Individual conclusions reached in the above manner.

4. Results and Discussion

The age-young population is characterized by the relatively low prevalence of men in the younger age groups, and the overall population is much more than the relatively high prevalence of women in the older age. Still, the small generations do not have such a large influence on the overall representation of the female part (Center for Historical Demography and Population Development of Slovakia, 2017). In contrast, in populations with an older age composition, the weight of age groups with a predominance of women is much more pronounced than in the previous case, which also results in the overall masculinity index. At an extremely long projection horizon, it is not feasible to talk about likely developments, as it is not practicable to anticipate any demographic trends over nearly 200 years.

In Matlab, the prediction of the development of the economically active population was drawn graphically in Figure 4. The outlook is clear, and the economically active population will decline. The birth rate of the population has increased, but not sufficiently against mortality and external migration. The active population, aged 55 and over in the next ten years, will retire and there is currently not enough active population aged 15-24.

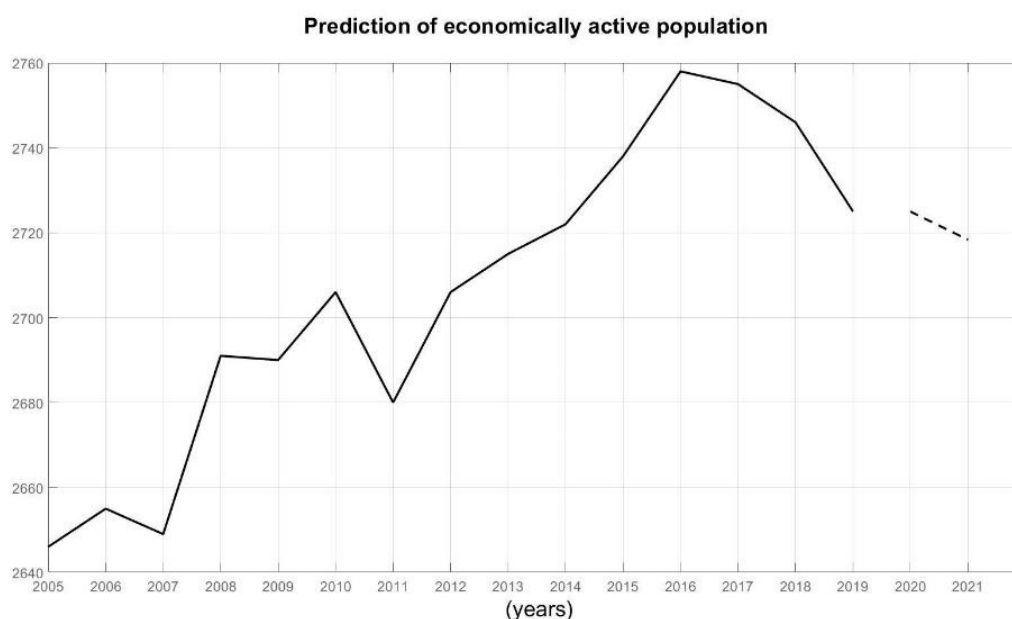


Figure 5: Prediction of the economically active population

In the practical part of the article, we focused on the evaluation of primary research, which was focused on what are the most suitable forms of the motivation of the active population about the age structure. The survey was carried out across all districts of the Slovak Republic, both women and men participated in equal proportions and the age structure, and the degree of labour intensity was considered. As a part of primary research, the question was formulated as follows: "Are you adequately remunerated for your work?" This question was divided on a scale of 0 as dissatisfied after 5 satisfied. On the following chart, respondents expressed their satisfaction or dissatisfaction. Respondents expressed themselves as 0 - 7.5%, 1 - 10.8%, 2 - 14%, 3 - 29%, 4 25.8% and 5 - 12.9% were fully satisfied.

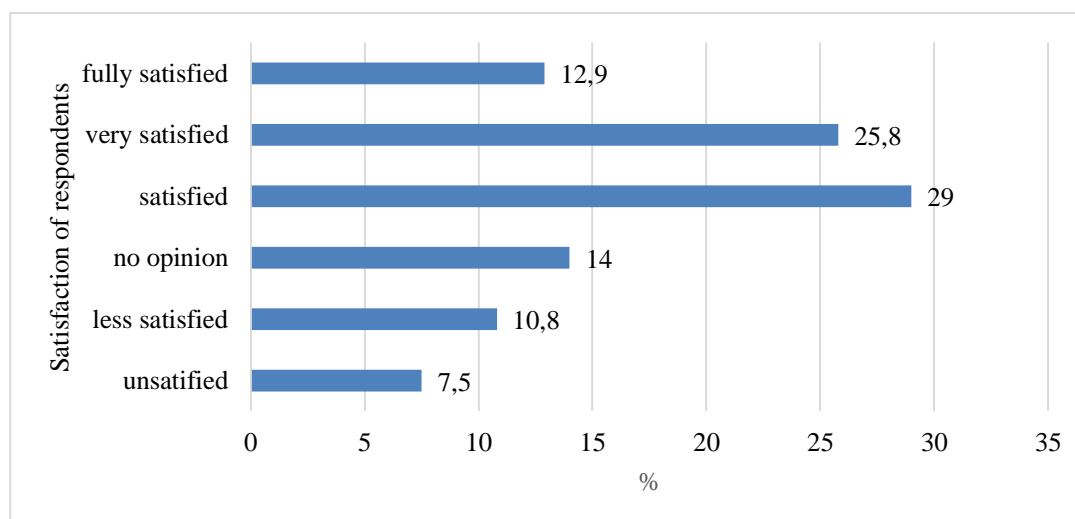


Figure 6: Satisfaction of respondents with remuneration

The next question was: "Is motivation at work important to you?" The answer for most respondents was "yes". For this reason, it is significant to address and research the appropriate motivation of employees in companies. 86% of respondents answered yes, 14% did not. Employment motivation is important for all ages, from 15 to 55 and over. In the next question, respondents had a choice of possible incentive rewards offered by companies in the current labour market – Figure 7.

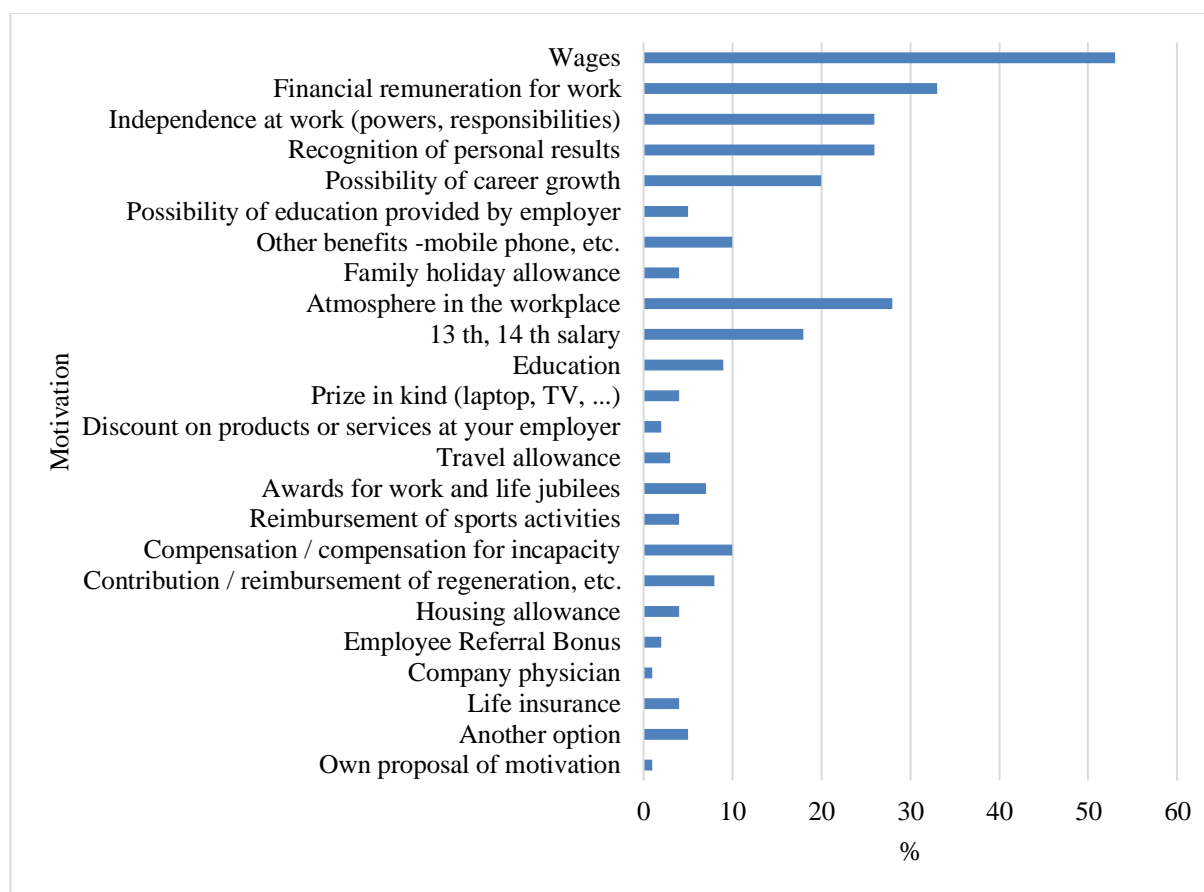


Figure 7: Required incentive motivational elements of employees

4.1 The Analysis of Individual Motivational Elements

Figure 7 shows the preference of respondents to individual motivational elements. They had a choice of 24 choices, three answers that are the ones they would like to have as a motivational element in their job. Even though the majority of respondents indicated in the survey that financial evaluation is not an important motivating element, they selected 95% of the respondents' wages and 63% of the respondents in their choice of answers. Independence at work (competences, responsibility), recognition of personal achievements, workplace atmosphere (relationships with colleagues, supervisors) are an important element of job satisfaction for 48% of respondents. Possibility of career growth and 13th, 14th salary is preferred in 32% of respondents.

5. Conclusion

In terms of the era structure of the population, the age group 55 and more is most motivated by wages, prizes (laptop, TV, ...), company doctor. The same motivation is preferred by long-term employees in the company. The age group 45-54 years' wage, the atmosphere in the workplace (relations with colleagues, supervisor), discount on products or services at your employer, bonuses for work and life anniversaries. For the most active population, the most popular are wages, benefits in the form of family holiday allowances, contribution/reimbursement of regeneration and relaxation activities (wellness, massages, etc.). In the 25-34 age structure, the most sought-after option is education offered by employers, recognition of personal results, and only then wages. Incentive elements such as education, holiday allowance, sports, etc. new employees like it and attract jobseekers to a large extent. The 15-24 age group is in the same position as the wage rating, which also puts the wage in third place in its preferences. In the first place, the housing allowance, the second is compensation/wage compensation for incapacity for work, paid sick leave, sick day. Incentives of employee motivation about higher employee performance may be jeopardized by individual autonomy (Bowles and Polanía-Reyes, 2012). The decisive reasons for using the recognition of performance, motivation are long-term sustainable good relations in the workplace, demonstrable work success and finally increase of the success of the whole company. It is the incentive incentives that can compensate employees' financial remuneration that is becoming a competitive advantage for businesses.

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