# NATIONAL UNIVERSITY OF PUBLIC SERVICE Doctoral School of Military Sciences

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# COMPARATIVE ANALYSIS OF THE MOTIVATION OF THE PROFESSIONAL AND CONTRACTED PERSONNEL OF THE HUNGARIAN DEFENCE FORCES AND THE BUSINESS SECTOR

**Doctoral (PhD) Dissertation** 

Thesis Summary

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# 1. FRAMING OF THE SCIENTIFIC PROBLEM

Acquiring and retaining a talented and versatile workforce that can be further trained and educated is becoming one of the most important processes in the matter of Human Strategy published in 2013, as acquiring and retaining volunteer, contracted personnel is an issue for the Hungarian Defence Forces, similarly to the military forces of developed countries.

In developed countries, public service is no longer a normative, formally regulated bureaucratic system. Several positive trends have commenced in the Hungarian public sector in recent years. The development of an adaptive optimised public service is connected to the spread of the concept of a partner-type public service attentive of several stakeholder needs. The expected reform of Hungarian Defence Force – an important part of the public sector – may come from the business sector if its solutions are adopted. A precondition of this adoption is a harmonized and constructive cooperation between the public and the business sectors. This in turn requires familiarization with the successful systems and methods in the business sector and their adaption while keeping in mind the limitations and opportunities of the public sector.

This is also important due to the fact that the Hungarian Defence Force, an important actor in the labour market, fulfils its human resource demands from the same labour market where the business sector is present. The job of military HR personnel in the competition for acquiring and retaining talent is made challenging by the fact that they need to acquire and retain the work force with the required qualities and in the required quantities in a special, public service field. High motivation is connected to dedication, dedication results in high workforce retention, and these combined together result in a guaranteed high profit. To simplify, these factors generate profit in the business sector, while they should result in qualitative and quantitative guarantees for a professional military for the Hungarian Defence Forces. In my dissertation, I examine the Hungarian Defence Forces as a labour market actor, comparing it to the business sector, to see what works in the business sector and what tools and methods are used by the **business sector for motivational** 

and workforce retention purposes and how can this be adopted by the Hungarian Defence Forces, taking into consideration and preserving its specificities.

#### 2. RESEARCH AIMS

This dissertation attempts to present how the business sector keeps the motivation of employees at a high level, and how this contributes to the ability to retain and attract the workforce, and to generating profit. My objective is to expand the toolset of the Hungarian Defence Forces with useful tools with a proven track record. One example of this is the human resources controlling system used in the business sector, through which I demonstrate the methods used to measure satisfaction and performance, and the nature of the connection between the internal organizational communication, the motivation, the dedication and performance, proving that the high motivational level and the workforce-retaining ability are closely connected. This has a high level of significance in the new Human Strategy for the Hungarian Defence Forces.

Age also has a very important role in the Hungarian Defence Forces due to the special physical and mental workload burden; however, up until now there was no specific examination of the various age groups or generations from the perspective of motivation. This new perspective examined in my dissertation is especially important in a community where colleagues, supervisors and subordinates are in daily contact, closer than usual, within a strict hierarchical system. The dissertation presents the results of my research regarding people of various generations in the business sector, emphasizing the identifiable motives of each generation for choosing and staying at a workplace, the motivational aspects of the generations, the connection of the high level of employee motivation with the ability of the employer to retain the workforce, all in the light of the identified attitudes of the various generations. My objective is for the Hungarian Defence Forces to put this research outcome to practical use.

After reviewing the new Human Strategy, we can come to the conclusion that the purposes of performance evaluations in the public sector and the business sector are similar. As part of my research, I examine whether the two sectors use similar tools for achieving these similar purposes, and if not, which are the successful tools in the

business sector that could be employed in practice by the Hungarian Defence Forces as well. I describe what a successful performance appraisal interview is and the role of emotional competences therein.

The desired outcome of my research is to put forward proven proposals based on the results of the business sector and my research, which proposals can then be useful to the Hungarian Defence Forces. Through preparing my dissertation, I wish to achieve the increase of the motivation and the productivity of the service members and employees of the Hungarian Defence Forces and the success of the Hungarian military within the NATO by developing a long term human resources controlling management system.

#### 3. RESEARCH HYPOTHESES

- 1. Motivation has a generational aspect: various generations have differing motivational needs.
- 2. There is no universal motivational tool that works for all generations.
- 3. The age graph of the organization can assist with applying the appropriate motivational tools for the organization, which applies to the Hungarian Defence Forces as well.
- 4. The human controlling system and measurement tools are capable of identifying the factors hindering motivation.
- 5. Performance appraisals and the related optimally conducted interviews have motivating effects, and they contribute to achieving and maintaining high motivational levels.
- 6. Realistic and objective performance appraisal has motivating effect on workforce retention and workforce performance enhancement for the Hungarian Defence Forces.

#### 4. RESEARCH METHODS

• According to the regulations of doctoral school, I started to prepare research activity with creating my own research program that I've been updating since, semester by semester during the years, after acquiring new results, regarding scientific and research methodological advice.

- I have been focusing on data collection and analysis since 2010.
- In the course of my research, I categorized, rated and observed related special literature and professional regulations either from Hungary or from abroad as well.
- Professional education, trainings, meetings, professional conferences and questionnaires helped me to acquire relevant information and use it as a base of my thesis.
- While collecting sources, I organized motivation themed doctoral dissertations focusing on the military field. After gathering enough information I processed these data and built them in my scientific publications.
- From theory logic methods I operated with analysis and synthesis, together with comparisons.

#### 5. STRUCTURE OF THE DISSERTATION

In the first part of the dissertation I briefly present theories related to motivation based on the bibliography used, emphasizing the equity theory, which had an impact on my work when developing performance appraisal systems. In the first chapter, I describe the research topic gaining popularity in the business sector, dealing with identifying generations and generational attitudes in the workplace. Having generational gaps or differences at the workplace is not a new issue, however there never was such a great gap between various generations working at the same time at the same workplace. The reason behind this change is the information society, and then knowledge society that evolved in the second half of the 20<sup>th</sup> century, which has changed the natural order of communication and among other effects, has reversed the socialisation processes. As a result, there are significant differences between the older and younger generations, including their values, which must be taken into consideration when trying to stimulate and motivate their members.

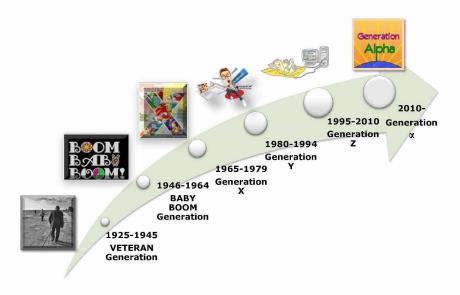


Figure 1. Categories of generations (created by the author)

The labour market is undergoing radical changes due to technical innovation and the ageing of population, among other factors. When examining generations, I also look at the ageing of society from the human resource perspective as an important issue, as it presents two problems at the same time: less young employees and more old ones. The old are not retiring, are not giving up their positions and are not transferring their knowledge to the younger generations, who number less and less from year to year. A side effect of this transformation is a continuous reduction in job security in the business and the private sector as well.

In this part of my dissertation, I also analyse the questionnaires I have created, which map the motivational needs of the different age groups, presenting what tools and methods are important for the various age groups. I examine whether financial benefits are useful or hinder motivation. How important is teamwork for Generation Y, how important is working independently for Generation X, and how new technology affects the work performance of Baby Boomers. An important tool for my research is the corporate and generational age graph, without which I could not have a clear picture of the various age groups.

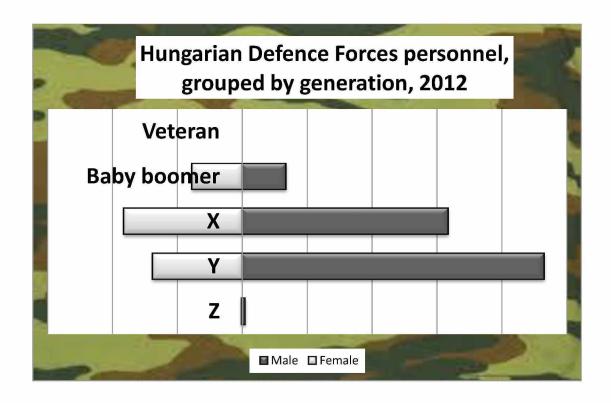


Figure 2: Age Graph of the Hungarian Defence Forces (created by the author)

In the second part of the dissertation I describe the complex human resources controlling tool which helps the execution of the human strategy with measurements, and supports motivation, answering the questions based on which we can assess our current position and prepare for the challenges we are about to face. The integrated measurement tool includes the generational motivation questionnaire, which helps identifying the generations within the workforce as well as their motivational needs. The internal communications questionnaire helps with identifying the factors assisting and hindering motivation through an organizational diagnosis. The internal employee satisfaction / dedication assessment is a tool which helps both with the organizational diagnosis, as well as the action items. The measurement of workplace satisfaction provides an opportunity for workplace conflicts to surface prior to causing serious problems, and to identify the barriers to the success of motivation, which barriers can then be removed with an action plan based on the results of the assessment. The performance appraisal can then show whether using motivational tools really In my opinion, by coordinating these assessments and enhances performance. measurements, planning the necessary actions and executing them in a consistent manner, the Hungarian Defence Forces will be able to achieve a high motivational level.

In the third part of the dissertation I examine whether the measurement system I presented can be applied to the Hungarian Defence Forces, what elements of it already exist and what are missing. I examine the New Human Strategy and its expectations, and whether the system I present can assist in achieving the goals of the strategy. The regular measuring activities of the human resources controlling system can contribute to the decision making of military leadership. The controlling system can not only optimise the financial costs of human resource management, but through regular measurements it can also contribute to identifying obstacles and hindering factors of motivation in the organization, and the optimal motivational tools as well. Preparing and analysing the age chart of the company is part of this assistance, as it helps with personalizing and customizing motivational tools so that they can be as effective in the organization as possible, and support management in making the best possible decisions regarding either the organization or the individuals.

In the final section I summarize the results, to include the motivational and measurement tools used in the business sector; how the business sector achieves a high level of motivation, using what tools and in what breakdown, emphasizing the role of management. I have prepared a spreadsheet of this information applied to the personnel of the Hungarian Defence Forces, broken down by generation, hoping that this will contribute, however insignificantly, to the realization of the excellently written new Human Strategy, as a strategy is only worth as much as it is executed in reality.

#### 6. REGARDING THE BIBLIOGRAPHY

In my dissertation, I have examined the concept of motivation and the related theories, with special emphasis on performance and work motivation, and related research and theories. I have also examined the latest research and scientific results. Motivation is certainly dependent upon the individual and the context. There are internal and external motivational tools, and there are internally motivated employees, and there are those requiring extensive external motivation. The success of external motivation depends on the on the objective, the environment, the timing, the method of communication, and the results of previous motivational steps. Motivational tools can be applied on their own, however typically it is a chain of motivational "techniques" that can appropriately motivate employees in order to achieve the required goals. The most important to keep in mind is to use motivational tools consciously, consistently and tailored to and focused on the individual. On the topic of motivation, I have used the

summary works of Péter KORONVÁRY, Sándor KLEIN, Irén GYÖKÉR and Ildikó GARDA, and the latest 3.0 motivation model by Daniel PINK.

Prior scientific research have not examined motivation from the aspect of generations, therefore I have focused on this aspect in my dissertation. I consider this aspect especially important due to the problem of ageing of people, affecting society as a whole. During my research of generational motivation, I have established that motivation does have a generational aspect, and it has special significance for the ability to retain the workforce. I have demonstrated that each generation has useful attributes and attitudes for the employer and those organizations can be successful where all generations are present, where the advantages and disadvantages of the generations are being applied, where the old and new perspectives are in a mixture. The Hungarian Defence Forces serve as a prime example of this type of organization. However organizations should strive to achieve balance in the field of stimulation and motivation as well, and should find the appropriate motivation for each generation. Research into the field of motivation in the future should be extended to include this aspect. I have collected data regarding generations based on the series of research published under the title of YANKELOVICH report and English literature on the topic. In the Hungarian aspect, I have relied on the publications, presentations and works of Istvánné HOFFMAN, György CSEPELI, Sándor SZABADOS, Levente SZÉKELY, Mária BAJNER and Annamária TARI.

I have examined the changes in the labour market, emphasizing the issue of the ageing of the population and reflecting on the potential results, highlighting the challenges that both society and the Hungarian Defence Forces must face. Regarding the Hungarian Defence Forces, I have relied on scientific publications, publications, presentations (Tibor BENKŐ, Henrik HEGEDŰS, László KOLOSSA, Géza MÉSZÁROS, Szilvia SZABÓ, Csaba SZOMBATH, Gábor KOVÁCS, Zoltán László KISS, Dénes HARAI, János KRIZBAI) and the Human Strategy 2012-2021 of the Hungarian Defence Forces.

#### 7. SUMMARIZED CONCLUSION

The most valuable assets of the Hungarian Defence Forces are its personnel and their accumulated professional knowledge and experience; therefore it is very important that personnel are managed properly. The business sector has more and more new methods and models which try to take into consideration new aspects besides the traditional monetary benefits. This can be explained by the fact that nonmaterial assets are gaining importance in the lives of these organizations. The management of these non-measurable elements requires different methods from those used in managing measurable elements. For managing the elements, we must first overcome the measurement problems, which can be done by both the business sector and the Hungarian Defence Forces with the evaluating and measuring systems I have presented. The regular measurements, action plans and actions contribute to the business sector maintaining a high motivational level of employees. The Hungarian Defence Forces, as a labour market actor, must take these aspects into consideration. The Performance Appraisal 2007 research results show that the appraisal process did not motivate the employees. However, the evaluation system created in 2013 is capable of objectively measuring performance, and can motivate the employees by clarifying goals and objectives, acknowledging personal performance and bilateral communication.

Besides performance, dedication and internal communication should also be measured; as such measurements are also capable of revealing the obstacles of motivation in the organization as well as in the individuals. Action plans should be prepared based on the results, and executed as circumstances allow. And then, the measurement can begin again anew. The Hungarian Defence Forces should also implement a human resources controlling system capable of developing the questionnaires, taking the measurements, planning the actions, and quantifying the results.

#### 8. THESIS

- 1. Based on the first chapter, I deem it proven that motivation has a generational aspect: various generations have differing motivational needs. This is supported by the results of different researches.
- 2. I posited that there is no universal motivational tool that works for all generations. I have proven the opposite of this hypothesis, as there are universal motivational tools: job security, pride in work, a pleasant work environment, and material well-being. This could be the key motivational elements for the Hungarian Defence Forces as well.
- 3. I have proven that preparing the age graph of the organization can assist with applying the appropriate motivational tools for the organization, which applies to the Hungarian Defence Forces as well.
- 4. I have proven that the human controlling system and measurement tools I have presented are capable of identifying the factors hindering motivation.
- 5. The generation with greatest numbers in the Hungarian Defence Forces is Generation Y. This generation places high importance on personal discussions, bilateral open communication and continuous feedback. Therefore I consider it proven regarding the Hungarian Defence Forces that performance appraisals and the related optimally conducted interviews have motivating effects, and they contribute to achieving and maintaining high motivational levels.
- 6. Based on the research results I consider it proven that realistic and objective performance appraisal has motivating effect on workforce retention and workforce performance enhancement for the Hungarian Defence Forces.

# 9. RECOMMENDATIONS, APPLICATIONS IN PRACTICE

The results of the research can be applied by the business sector and the public sector as well. The results of generational research and this new aspect of motivational research, the applied method and perspective augment the toolset of the military leader. The changes of the labour market affect not only one of the many sectors; all employers must prepare for the projected changes. With the help of the included questionnaires, the dissertation assists in motivating personnel more effectively and in a more tailored manner to improve their work performance by identifying the obstacles to successful motivation.

Motivational efforts for employee retention affect the business sector and the public sector as well. The measurement and appraisals questionnaires I use and developed in the human resources controlling system that I included in the dissertation are capable of measuring and identifying internal communication, dedication and generational motivation needs. Following the defence, my next scientific goal is to continue generational research on employee retention abilities, focusing on Generation Z, and make the human resources controlling measurement tools and systems used in the business sector available and applicable for the Hungarian Defence Forces as well.

# LIST OF THE AUTHOR'S PUBLICATIONS THE SUBJECT

- 1. *Generációk a magyar honvédségnél* Hadtudomány online 2010. http://uni-nke.hu/downloads/kutatas/folyoiratok/hadtudomanyi\_szemle/szamok/2010/2010\_4/2010\_4\_tt\_kissne\_58\_64.pdf
- Érzelmi kompetencia, a sikeres vezetés kulcsa Hadtudomány online 2009. (http://www.tesk.hu/hu/hirek/333-erzelmi -kompetencia-a-sikeres-vezetes-kulcs 2010.05.11.
- 3. *A teljesítményértékelés bevezetése* Hadmérnök online 2008 (http://www.zmne.hu/hadmernok/2008\_1\_kissne.pdf)
- 4. *A teljesítményértékelő beszélgetés, mint különleges helyzet*. Hadtudomány Online 2009. http://www.hrportal.hu/hr/a-teljesitmenyertekelo-beszelgetes-mint-kulonleges-helyzet-20100205.html

#### **PUBLICATION IN ENGLISH**

5. Generations in the Hungarian Defence Forces Motivation and the capability of holding on to labour. AARMS Vol. 10, No. 2 (2011) 213–222 http://www.zmne.hu/aarms/docs/Volume10/Issue2/pdf/01.pdf

### PROFESSIONAL – SCOLARLY CURRICULUM VITAE

**Qualifications** 

2012. Zrínyi Miklós National Defence University Budapest

Final Certificate, National University of Public Service, Doctorial School of Military Sciences

2006. University of Pécs, Pécs, Hungray

Faculty of Social Science/ HR MsC

2001. Miskolc Collage, Miskolc, Hungary

Faculty of Teacher Training and Knowledge

Technology

Teacher of English language BsC

1991. Eszterházy Károly College, Eger, Hungary

Faculty of Teacher Training and Knowledge

Technology

Teacher of History and Russian language BsC

<u>Language skills</u> English and Russian language teachers' degree

#### **Professional Experience**

2011- Budapest Gas Works

Head of Human Controlling Department

2007-2011 Ministry of Defence

Electronics, Logistics and Property management Co.

Head of Human Controlling Department

1993-2003 Sashegyi High School Pomáz

Teacher, Deputy Headmaster

# Professional activity, Scientific Society Memberships

2011- **REFA-Samling** 

HR basic, master and HR controlling trainer, HR

controlling expert

HR MBA

HR controlling trainer

**OHE (National Association of HR managers)** 

HR controlling expert

2010- Hungarian Military Science Society

# Thesis Consultation, Associate Supervising

2010-2013. Associate consultant in the following topics:

Motivation, HR controlling, Performance appraisal

#### **Publications**

In relevant HR journals, WEB portals published in Hungary, I note many Hungarian publications and one written in foreign language.