



LUND UNIVERSITY
School of Economics and Management

Employee Motivation through Higher Purpose: A double edged sword

by

Petra Erkkilä & Thekla Welp

May 20, 2016

Supervisor: Sverre Spoelstra

Examiner: Mats Benner

Abstract

Title	Employee Motivation through Higher Purpose: A double edged sword
Authors	Petra Erkkilä & Thekla Welp
Supervisor	Sverre Spoelstra
Submission Date	20th of May 2016
Keywords	Non-profit organisation, employee motivation, higher purpose, social responsibility
Purpose	To critically review the impact of organisational purpose on employee motivation and to understand employee motivation in the non-profit sector
Research Question	How does higher purpose impact employee motivation in non-profit organisations?
Methodology	Using an interpretative approach, we developed a qualitative study. We collected our empirical material by conducting and analysing 11 interviews with different employees in a non-profit organisation.
Findings	Based on our interpretations of the empirical material, we suggest that higher purpose can be understood as both intrinsic and extrinsic motivation and in reality the two are difficult to separate. We also noticed that higher purpose as a motivating factor is a double edged sword; it serves as a primary source of motivation for employees, but simultaneously can be experienced as energy consuming for both employees and the organisation. Lastly, we wish to emphasise the strong impact the recent social responsibility trend has on higher purpose to function as a motivational force.
Contributions	Our research adds to the limited academic discussion on employee motivation within the non-profit sector. We also suggest practical implications, by providing insight into how organisations can enhance employee motivation through exploiting their higher purpose.

Acknowledgements

We would like to start by thanking all of the professors and teachers from our master's program. You not only improved our knowledge in the field of our studies but also helped us to expand our horizons over the course of the year.

We also owe enormous gratitude to our supervisor Sverre Spoelstra, who provided us with continuous support and input. Your feedback has helped us so much during the process and we really enjoyed collaborating with you.

Moreover, we want to thank all our interviewees and everyone working at Equality in Education for the time and insights provided. The valuable information received was critical to the development of our study and at all times we felt warmly welcomed by the employees.

Last but not least, we want to thank each other for the great teamwork and the continuous reciprocal motivation. We greatly complemented each other's strengths and made the thesis project a fun and rewarding journey.

Happy reading!

Petra Erkkilä & Thekla Welp

Table of Contents

- 1 Introduction..... 1**
- 1.1 Research background..... 1
- 1.2 Research aim..... 2
- 1.3 Research question..... 3
- 1.4 Research method..... 4
- 1.5 Thesis outline..... 4
- 2 Literature Review 6**
- 2.1 The rise of higher purpose 6
- 2.2 Sources of motivation..... 7
- 2.3 Following fashion..... 9
- 2.4 Alternative motivational theory..... 12
- 2.5 Working in a non-profit organisation..... 13
- 2.6 Concluding thoughts 15
- 3 Methodology 17**
- 3.1 Research approach 17
- 3.2 Research process..... 18
- 3.3 Data analysis 21
- 3.4 Reflexivity and biases 22
- 4 Empirical Material 25**
- 4.1 Equality in Education – company background 25
- 4.1.1 The people 26
- 4.1.2 The purpose 28
- 4.2 The overarching power of higher purpose..... 29
- 4.2.1 Higher purpose: a driver and a pressure 29
- 4.2.2 Higher purpose: fostering emotional attachment..... 32
- 4.2.3 Higher purpose: an invisible force..... 33
- 4.2.4 Higher purpose: creating opportunities..... 34
- 4.2.5 Higher purpose: leading to responsibilities..... 36
- 4.3 Facilitating higher purpose 38
- 4.3.1 The importance of development opportunities 38
- 4.3.2 The importance of working with inspirational colleagues..... 42
- 4.3.3 The importance of external recognition..... 46

4.4	Wrapping up the empirical material	47
5	Discussion.....	50
5.1	Motivation – two sides of the same coin.....	50
5.1.1	Extrinsically motivated by higher purpose	52
5.1.2	An inseparable pair: intrinsic and extrinsic motivation	53
5.2	Purpose – a double-edged sword	54
5.2.1	Creating vision pressure	55
5.2.2	Creating peer pressure	56
5.3	Swimming with the tide.....	58
5.4	The discussion in a nutshell.....	59
6	Conclusion	61
6.1	Outcome of the study.....	61
6.2	Contributions and implications.....	62
6.3	Further research and final words.....	64

1 Introduction

"You cannot motivate the best people with money. Money is just a way to keep score. The best people in any field are motivated by passion."

Eric Raymond, The Cathedral and the Bazaar

As the time in our master's program advanced, dialogues about what to do after graduation increased. There were numerous discussions about dream employers, acceptable compromises, opportunities and no-go's. Although the expectations varied among the course participants, there seemed to be a consensus on the basic requirements for a future employer. Many of us were, and still are, looking for organisations that are not only interested in profit-making but also want to engage in social responsibility. Together with our fellow students we found these type of organisations attractive to identify with.

1.1 Research background

The observations held among our class mates and ourselves regarding expectations for future-employers are in line with what various scholars identified; there appears to be a trend towards social responsibility. Not only customers, but also employees pay increasing attention to their employer's social responsibility (Frank, 2001; Mirvis, 2012). The current era is shaped by post-scarcity, consequently people have time to think about their impact on society. In addition, there is a greater propensity to examine and question what life is all about (Inglehart, 1999). Different scholars argue (e.g. Benz, 2005; Hoffmann, 2006) that non-profit organisations (NPOs) can benefit from this trend, as they attract intrinsically motivated employees who are keen on engaging in the organisational purpose and vision. Contemporary employees are increasingly longing to work in an organisation, where the values are aligned with the personal ones (Ohlrich, 2015). This has led them to accept trade-offs, such as lower salary and increased working hours. In general, NPOs address the societal issues and work towards the public good (Prewitt, 1987). Thereby they do not distribute any net earnings to stakeholder but rather invest any surpluses achieved in the further provision of their services (Hansmann, 1980). Combining the definition of NPOs with the current societal trend, it

provides us with an explanation why the non-profit sector is said to be benefitting from the recent developments.

The trend for social responsibility, is noticeable especially when reviewing company websites, annual reports and value statements, and it has also drawn a lot of attention in the academic field (Mirvis, 2012; Glavas & Kelly, 2014). This, in conjunction with our own interest to work for an organisation that is socially engaged, brought our attention to the organisational motives to decide to invest in social responsibility. There is a wide range of research on how social responsibility can be beneficial in satisfying customers. Additionally, there is some research on how the organisational purpose affects the attraction of employees and can help in the war for talent. For example, Ohlrich (2015) argues that people are seeking those employers whose values are aligned with their own. However, we noticed that there is limited research on how social responsibility affects employees after joining the organisation. Consequently, we were interested in understanding the impact an organisational purpose has on employee motivation, particularly focusing on a higher, socially responsible purpose. In this thesis, we define higher purpose as an organisational vision and the related actions to address societal issues and improve the situation for the greater society (Bingham et al., 2013).

1.2 Research aim

Although there is a trend towards working for a socially responsible employer, our literature review revealed that there is limited knowledge on HR practices in NPOs, for example, regarding organisational commitment and motivation. In essence, the paid employment in the non-profit sector is often neglected in the academic research (Cunningham, 2001; Bingham et al., 2013). It was therefore the limited research as well as our personal interest that brought us on a path to analyse the phenomenon in a non-profit context. The fact that one of us will be joining an NPO shortly after our graduation also had a bearing on the choice. As proposed by Benz (2005), it is the nature of NPOs to strive for a positive societal impact. In addition, NPOs might need to emphasise their higher purpose in particular in order to be perceived as a legitimate option for jobseekers in the competition for talent (Hoffmann, 2006) as well as to be able to positively impact employee motivation and retention, considering the scarcity of resources that can result in lower monetary rewards (Karl & Sutton, 1998; Bingham et

al., 2013). We are convinced that the distinctive characteristics of NPOs will give us a fruitful context to analyse higher purpose as a motivational force.

The genuine socially responsible nature of NPOs as well as the current societal trend has led many scholars to argue that higher purpose is the main source of motivation for NPO employees. In addition, there seems to be a consensus among researchers that NPO employees' willingness to accept lower wages reflects on their intrinsic motivation, however, studies often discard research on other motivational factors (e.g. Benz, 2005; Borzaga & Tortia, 2006; Kamerade & McKay, 2014). Intrinsic motivation refers to the desire of people to do something for the pleasure of doing so. It is contrasted by extrinsic motivation. The latter can be understood as a trigger for actions to gain external rewarding and is not directly related to the task itself, for example, salary, recognition and promotion opportunities (Koch, 1956; Ryan and Deci, 2000).

The purpose of our research is to illuminate some of the complex phenomena surrounding higher purpose as a motivational factor in NPOs, whilst not taking for granted that NPO employees are automatically intrinsically motivated as the dominant literature often suggests. Our research may be of special interest to practicing managers as well as HR management; we provide valuable insights on the implications of having the organisation's socially responsible purpose as one of the main sources of employee motivation. In other words, we shed light on how a higher purpose can serve as a motivating force for employees.

1.3 Research question

Taking into account our personal interest as well as the limited research on NPOs, especially when looking at knowledge-intensive and more professionalised organisations, we find that the topic of employee motivation in NPOs merits further analysis. We want to challenge the academic literature's prevailing assumption of NPO employees being mostly intrinsically motivated and higher purpose being their first source of motivation. We believe that the matter is not as clear-cut. Thereby, our research question is as follows:

How does higher purpose impact employee motivation in non-profit organisations?

In order to answer the research question, we aim to explore the impacts of societal development, that has increased the popularity of higher purpose. In addition, we want to extend our understanding of the nuances and limits of higher purpose as a motivating factor.

1.4 Research method

In order to address our research question, we have designed a qualitative research design and worked simultaneously with the literature and the empirical material. The literature was mainly collected taking into account some of our course literature as well as using the Lund University search function. Our empirical data was gathered in Berlin, Germany, at a German NPO called Equality in Education Deutschland (EE). The organisation was founded in 2008 and aims to establish equal education opportunities for elementary and high school students in Germany. EE selects, trains and supports graduate students (so called *fellows*) to teach for two years in socially deprived schools. At the moment EE is in a transition phase, somewhere in between of being a start-up and a more matured organisation. Furthermore, they belong to the global EE network, together with 39 other national EE organisations. EE Deutschland currently employs approximately 40 employees, in four regions in Germany. Our main empirical material consists of 11 semi-structured interviews that were conducted with the EE employees at the headquarters in Berlin, leaving out fellows and employees from other regions. Additionally, we did some data analysis of publicly available data and used the time on-site to observe interactions among colleagues in their daily work. This allowed us to gain some background knowledge to complement the interview data.

1.5 Thesis outline

We start our thesis with an overview of the literature in chapter 2, addressing the current social responsibility trend and societal developments that have led employees and jobseekers to pay increasing attention to this phenomenon. We will also include a review on the motivational factors related to NPOs in particular. In essence, we pursue the following rational development: firstly, that post-scarcity leads people to question what their work is all about and secondly the consensus, that seems to exist among scholars, that the organisations' higher purpose triggers intrinsic motivation.

Thereafter, chapter 3 is dedicated to reviewing the research methods. Here, we aim to provide a detailed overview of the research process and our chosen approach to analyse and interpret the empirical data. Chapters 4 and 5 are the heart of our study, exploring how employees perceive higher purpose and how it affects their motivation at work. In chapter 4, we review and analyse our interpretations of the empirical data. Our main observations are that the organisational purpose serves as both a driving but also as a pressurising force for employees, creating emotional attachment to it and that it does not work in isolation, but is dependent on other motivational factors, especially on development opportunities, colleagues and recognition. In chapter 5, we address our research purpose and research question. We outline our main observations, suggesting that the organisational purpose is empowered by the current trend, making it a useful instrument for both intrinsic and extrinsic employee motivations. We conclude our thesis by discussing the contributions and limitations of our study, listing the implications it has for organisations, and suggesting further research.

2 Literature Review

We want to start the literature review by briefly presenting the setting that has led us to engage in the following academic discussion. When we conducted the interviews at EE, the NPO, we noticed that all the employees are genuinely interested in solving a complex societal problem and have an extensive educational background. The organisation works in a dynamic market which requires continuous adaptation to the needs of the field. We also noticed that the case of EE is a suitable example of a wide-spread discourse towards socially responsible societies in the Western economies, where people are looking for meaningful jobs that stimulate their inner motivation; the importance of higher organisational purpose has increased while the focus on high wages has decreased. We propose it is not an accidental phenomenon that highly educated people are increasingly interested in socially responsible work. We draw upon Alvesson and Sköldbberg's (2009) claim that identities, moral values and beliefs of people are all socially constructed. Thereby, it is of our interest to take a closer look what social aspects affect our perceptions of what is seen as legitimate work to engage in, what is expected for the employers and, most importantly, what aspects of work are considered motivating. We will now turn to the literature to discuss the societal developments that have impacted the rise of higher purpose. Later on, this chapter will introduce theoretical background to motivation and the non-profit sector.

2.1 The rise of higher purpose

Browsing through company websites, annual reports, and value statements, we noticed a clear emphasis on organisational values and mission, corporate social responsibility (CSR) and organisational engagement to serve the society in a greater sense than just on business interest. Scholars agree that the importance of social responsibility in organisations has increased significantly especially in the past twenty years (Kotler & Lee, 2005; Glavas & Kelly, 2014; Byerly, 2014). More than four decades ago, Preston (1975) noticed that the social contract between business and society was something that had been debated for a long time without reaching a consensus on a clear paradigm for social responsibility in the business world. Post (2015) studied the same phenomenon 40 years later and concluded, that the work is still in progress. This points

out the fact that CSR has been a topic for a long time, but we believe it has only recently gained momentum. When scholars discuss social responsibility in an NPO context, they refer to organisational values or the higher purpose of the organisation, instead of labelling it CSR. Nonetheless, to us the definition is fairly similar and when we refer to higher purpose we adapt to the following definition by Bingham et. al. (2013): actions performed by organisations to address greater societal issues. The actions, consequently, do not focus primarily on the organisational benefit but are designed to benefit the society instead.

Social responsibility is also very present when analysing factors that job seekers find important, and there has been a shift in the aspects people demand from their employer. According to Karl and Sutton (1998), in the 1970s and the 80s employees were mostly motivated by interesting tasks and stimulating work content. Later, in the 1990s, job security and high salary were experienced as factors leading to employee motivation. Nowadays, many scholars agree that job seekers pay increasing attention to the social responsibility of organisation (Frank, 2001; Mirvis, 2012; Ohlrich, 2015). Exemplary, the Cone Survey (2009, cited in Mirvis, 2012) states that 75% of the millennial generation want to work for an organisation that cares about their impact on society. Also, Frank (2001) has noticed a clear trend of graduate students preferring to get a job that contributes to the well-being of others. A recent study by Ohlrich (2015) underlines that the contemporary workforce demands a stronger alignment of personal and organisational values. Before looking further into motivational factors and the discourse on organisational higher purpose, we find it beneficial to understand the basic distinctions and assumptions of motivation itself.

2.2 Sources of motivation

The motivation of employees, according to Mirvis (2012), has an impact on various factors in the work life; it influences not only the performance of employees but also their satisfaction, commitment and loyalty. In order to understand how the organisational purpose can serve as a motivational factor, this section will look into motivational theory. Ryan and Deci (2000) describe motivation as a trigger that leads someone to act. The reasons behind the trigger can be various and are dependent on both the person as well as the situation. Furthermore, the amount of motivation as well

as the source of motivation varies among individuals, making motivation very context dependent.

Looking at the non-profit sector, different scholars mention that employees are to a large extent motivated by and committed to the organisational mission. In other words, they are passionate about serving the social good (Zimmerman, 2009; Donegani, McKay & Moro, 2012; Benz, Kamerade & McKay, 2014; Byerly, 2014). This leads to a notable belief among various researchers that NPO employees are primarily *intrinsically motivated* (Benz 2005; Borzaga & Tortia, 2006; Kamerade & McKay 2014). Ryan and Deci (2000) underline, that NPO employees are primarily assumed to conduct their work because they find the content of their work highly interesting and the job brings joy and excitement to their lives. The latter can be labelled as intrinsic motivation which means that people desire to do something for the sake of it, rather than aiming to gain other rewards or reinforcement. Benz (2005) elaborates on the same note, that intrinsic motivation can be fostered by the possibility to work for a higher purpose and to be able to identify with the organisational values, instead of triggering the action, for instance, by using monetary rewards. For similar reasons, Kamerade and McKay (2014) suggest that the intrinsic motivation of NPO employees can be seen as a competitive advantage for the organisation, when comparing them to employees in the private sector that are often assumed to be motivated mostly by tangible rewards. Frank (2001) explains, that the moral purpose seems to make up for the lower salary. He claims that employees' willingness to accept lower salaries underlines the intrinsic nature of NPO employees (see also: Benz, 2005; Ohlrich, 2015).

Nonetheless, Ryan and Deci (2000) suggest that it is actually *extrinsic motivation* that mostly influences what people do. With extrinsic motivation, they refer to doing something for its instrumental value and not only because the activity itself is enjoyable. External incentives are often described as monetary rewards, but can also be external recognition, promotion opportunities (Koch, 1956), training and development as well as other incentives like company cars (Ryan and Deci, 2000). These incentives are used to motivate employees to carry out their work in a way that is most valuable to the organisation (Bonnera & Sprinkle, 2002). Koch (1956) summarises this phenomenon well by stating that extrinsic motivation is everything that leads to the execution of tasks in order to receive something that is not related to the task itself.

Ryan and Deci (2000) add that often both the social expectations and one's role in the organisation convince people to perform acts that are not intrinsically motivating. The social pressure pushes people to complete their tasks, as otherwise they could be seen in unfavourable light by others. Most importantly, the authors also remind us that in reality it is very difficult to distinguish between intrinsic and extrinsic motivation, as it is more connected with the level of the experienced autonomy. This is also labelled as the theory of self-determination presented by Deci and Ryan (1985) and we will take a closer look on it at a later stage in this chapter.

2.3 Following fashion

When aiming to understand the values and motivational factors of employees in contemporary knowledge intensive work, we have to see the historical development of the social factors that have shaped people's values, identities as well as their expectations for work life in general. Porter and Kramer (2011) note that the increasing interest in the purpose of organisations is due to the close association of businesses as a source of social, environmental and economic problems. Handy (2002) underlines that the trust of people in responsible business has noticeably decreased especially during the current global financial crisis. Moreover, trust is a fragile concept and many employees seem to have the impression that their employers are more interested in creating profit than caring about societal challenges (see also Preston, 1975; Post, 2015). Lastly, Handy (2002) believes that this may not only cause a negative impact on the relationship with customer, but may also lead to staff to look for alternative employers who have a more socially responsible purpose.

Florida's (2002) popular publication "*The Rise of the Creative Class*" discusses the phenomenon of highly educated, knowledgeable people increasingly engaging in finding solutions to societal challenges. These knowledgeable people he labels creative, non-collar workers. According to him, the number of creative workforce has grown significantly over the past three decades, reaching a percentage of 25-30% of the workforce of advanced European countries. The shift towards creative societies does not only include different job descriptions but also a shift in the social and cultural values, and people's expectations for their employers. Florida (2002) states, that the creative Western society values and prioritises the high quality of life and economic growth, in

other words, "today people are increasingly concerned with what life is all about" (p.82). In short, he argues that once the basic human needs are met, the priority of values shifts towards higher purpose of life. Similarly, Inglehart (1999) elaborates on the shift of values; the values of these societies have moved to favouring free-thinking and self-expression over traditional values, such as respect for civil and religious authority, and favouring financial and social stability. He argues that the societal shift towards a "post-scarcity" economy is the main driver for the change in the values and attitudes of people. We no longer need to focus all our energy on basic survival, but as the wealth has increased, we have more resources available to be devoted to other aspects of life. All in all, we can see similarities of Florida's (2002) as well as Inglehart's (1999) theories to Maslow's pyramid theory; once the financial and other basic needs are satisfied, which the philanthropic needs arise (Maslow, 1943).

Florida (2002) adds that the society fosters people's shift of mindset towards social responsibility, which then again legitimises jobs that contribute to higher societal goals instead of increasing individual material wealth. He also provides suggestions for policy makers on how in practice the expectations of the 'valuable class of creative workers' can be met. We want to acknowledge our awareness that Florida's (2002) *creative class* has also been subject to criticism. For example, Prichard et. al. (2006) problematise his way of presenting the creative class as the elitist group of our time and his suggestions that the wider social and cultural environments should be shaped to attract and retain this knowledgeable group. We bear this in mind, however, in this research the aspect of elitism is not relevant and our focus is more on a general level to analyse what expectations the knowledgeable workforce has for their employers. We find them to be similar to those that other authors have also proposed.

Additionally to higher purpose, Florida (2002) claims that employees also appreciate external recognition. Peer recognition, respect from colleagues, and being part of a highly qualified group of colleagues are all important factors. The employing organisations cannot afford much 'dead wood', everyone is expected to deliver results. Employees prefer to be surrounded by driven and motivated people, as the strong work ethic spreads and energises colleagues. The creative workforce desires a job where they can express themselves, be continuously challenged, and work with intriguing projects in cooperation with inspiring people. He also underlines that although creative workers

are willing to accept lower salaries, they have higher demands from the content of their job and the work place in general. It is also said that the best people are never motivated by money, but by passion, which is exactly what we also pointed out in the opening quote of the whole thesis. However, Florida (2002) emphasises that this brings implications to the employing organisations as well as they need to meet the aspects that trigger the passion of employees. Furthermore, managing motivation is particularly challenging as every individual is complex and have multiple motives and passions which also change over time (see also Ryan and Deci, 2000). Florida (2002) has noted that the contemporary organisations try to hook employees emotionally rather than making them buy stocks to attach them to the profit-driven goals. The shift of source of motivation towards emotional attachment he calls "*soft control*" (p.134), that partially replaced the monetary incentives and official hierarchies. The organisational soft control works through peer recognition as well as peer pressure, creating a healthy competition among them to harness talents. He refers to the increase of organisations reliance on people's intrinsic motivation and links this to the new forms of soft control. We can also understand this as one of the reasons why higher purpose is a much discussed phenomenon in the contemporary work life when more and more organisations aim to make people attached to the organisation. If organisations increasingly aim to make people emotionally attached to organisations, the trend of social responsibility is an optimal instrument to appeal to people's emotions, enforcing the trend even further.

Alvesson (2013) raises the phenomena of zero-sum games and fashions-followers, critically reflecting on the development of society in our contemporary time. He argues that "there is a strong desire to be labelled in the most attractive and pretentious terms" (p.4) which leads to difficulties as it is a zero-sum game. If one individual, a societal group or an organisation gains something in any term, this always occurs at the expense of another. When linking this to what motivates people, Alvesson (2013), states that in today's society, we are more motivated by what others have than by our own preferences. In essence, it is not about what random people have, but rather a particular type of people that we want to identify ourselves with. Thereby, our role models are also our competitors. Furthermore, he claims that fashion-following is a strong force shaping the factors that motivate us, in particular in the business world. This is occasionally problematic as, for example, management trends are not always completely thought

through and naturally bound to the organisation in question. We want to relate the latter phenomenon of trend-following to our aim to understand the reasons behind why the higher purpose-discourse is so dominant in the literature and business world in general, and how has it affected the motivation of employees in NPOs.

Having in mind the definitions of extrinsic and intrinsic motivations mentioned earlier, we ponder with an idea whether this could lead to a conclusion that the trend of higher purpose, in fact, is also an extrinsic motivational force. The latter thought brings about the difficulties to clearly distinguish between intrinsic and extrinsic motivation. In order to examine this further, we will in the next section concentrate on the self-determination theory presented by Deci and Ryan (1985).

2.4 Alternative motivational theory

After discussing the motivational theory in conjunction with the societal developments' influence on the values and attitudes of people, we want present a self-determination theory (SDT) of Deci and Ryan (1985) which represent an alternative way of understanding motivation. SDT focuses on breaking the fairly strict distinction of intrinsic and extrinsic motivation as the reality is much more complex and the line between the two is more blurred than often assumed. The theory discusses the level of self-determination in doing something and, thereby, challenges the dominant literature that emphasises the intrinsic motivation of contemporary creative workers.

More specifically, SDT highlights that the level of autonomy affects the source of extrinsic motivation (Ryan & Deci, 2000). To illustrate this further, we will give an example: an employee can work long hours to finish an assignment just to avoid sanctions, or can work the extra hours because they feel it will be valuable for their future career. The task itself might not be of interest, but the goal is. It is worth to note that the latter example includes a stronger notion of autonomy, the ability to choose to work rather than only to comply with external demands (the example is similar to one presented by Ryan & Deci, 2000). Thus, one can say that the increased level of autonomy fosters the internalisation of values. Over time these values, attitudes and behavioural regulations become an integral part of the individuals' motivation to do something, and they experience more self-determination. Ryan and Deci (2000) have also observed that

autonomous work and feeling of competence enhances well-being and commitment to the organisation, and therefore plays an important role in employee motivation.

The latter example depicts the internalisation of values, meaning the individual transforms the values and regulations into their own (Ryan & Deci, 2000). After this, the motivation emanates from themselves, hindering the purely extrinsic, instrumental motivation, and thereby changes the behaviour from passive compliance to personal commitment. In this sense, the autonomous form of extrinsic motivation has the same effect as the intrinsic one.

The prevailing literature still often claims that NPO employees, in particular, are intrinsically motivated due to the organisational higher purpose. We have chosen to analyse higher purpose as a motivating factor in an NPO setting, as they genuinely exist for a higher purpose. Furthermore, what we find particularly interesting is the fact that the salaries in the non-profit sector are lower than in other sectors, but the employees are still more motivated on average when compared to public and private sectors. The characteristics of NPOs, that we will examine in the following section, go hand in hand with Inglehart's (1999) and Florida's (2002) discussion of the post-scarcity theory.

2.5 Working in a non-profit organisation

In general, Prewitt (1987) explain that NPOs exist to address the needs of public good and to fill in the social gaps that are not met by the private nor the public sectors. He proposes that there are certain responsibilities left for the non-profit sector, for instance, when the public and the private sectors find the target audience politically or financially too insignificant to be of importance. In essence, according to Hansmann (1980), NPO is a type of organisation that does not distribute net-earnings to any stakeholders that control organisational assets, but rather invests the surplus in further provision of its services. Forth et al. (2006) describe NPOs as flexible, innovative, efficient in realising desired outcomes and having a flat hierarchy. Hansmann (1980) also brings up the point of NPOs heavy reliance on external funding; the resources are scarce and often not matching the need of capital. He underlines that for these reasons the means to provide tangible work incentives are limited, hence why NPOs require

employees that are interested in the job itself, in other words, are intrinsically motivated.

The previously mentioned development towards a focus on social responsibility has also led to changes in the different sectors in general. For example, many for-profit organisations are acknowledging their social responsibility in addition to value maximisation, adapting to meet people's philanthropic needs (Sagawa & Segal, 2000; Dees & Anderson, 2003; Byerly, 2014). The traditional boundaries between the private, public and non-profit sectors have started to blur. This is of interest to us it increases the number of employers that aim to attract employees that have traditionally been drawn to the non-profit sector, increasing the competition of war of talent for NPOs. In addition, due to the fact that NPOs fight for survival on the same market, they have increasingly adapted to the organisational models of other sectors, focusing on cost-efficiency (Dees & Anderson, 2003). The phenomenon can be explained through the resource-dependency theory presented by Eikenberry & Kløver (2004); NPOs are pushed to interact efficiently with those that control the resources. The theory also argues that in order to be seen as a legitimate actor, NPOs need to adapt to the environment and play by similar rules. Our research will focus on a highly professionalised NPO, where the majority of employees are paid workforce instead of voluntary workers. We believe that the professionalisation of NPOs as well as the adaptation to the private sector also has implications on employees' expectations for their employer.

Donegani, McKay and Moro (2012) claim that NPO employees often have more autonomy compared to employees in other sectors and they have more influence on how the organisation is run. By job autonomy we refer to the extent the worker has "the freedom, independence, and discretion necessary to schedule work and to decide what procedures to use in carrying it out" (Hackman, 1975 cited in Stinglhamber et al., 2015, p.4). The Skill Survey (Green et al. 2008), conducted in the UK, revealed that the NPO workers believed they had a significant role at work, and had a say on the decisions affecting their work. Another interesting point was, that the employees emphasised their values were aligned with the employer organisation and their jobs matched their skills. This was far less common in the public and private sectors. Stinglhamber et al. (2015) draw attention to the positive link between job autonomy and affective

commitment to the organisation. Affective commitment refers to identifying with the employer and having emotional attachment to it.

When analysing motivational factors further, Sawhill and Williamson (2001) claim that seeing results can be important with regards to unifying the employees to reach their common goal. If we consider higher organisational purpose as a motivating factor, the scholars argue that it is relatively challenging to measure how the abstract mission is accomplished in NPOs, especially when compared to the private sector where there are various performance indicators. "Measuring mission success is like the Holy Grail for non-profit - much sought after, but never found." (p.379). This brings about a paradox, as the prevailing literature highlights the importance of higher mission as a primary motivational factor for NPO employees, however, as noted, it is challenging for organisations to indicate success in aiming to achieve the higher goal.

Borzaga and Tortia (2006) point out that different organisational forms use different motivational mixes. This is for trying to attract and retain the particular type of people whose motivational preferences match with those the organisation naturally fosters. Their main claim is that certain groups of people are always more driven by certain characteristics of their jobs, for example, in the non-profit sector we could say people are primarily motivated by nonmonetary incentives. Therefore, NPOs should exploit the fact they do have a higher purpose and the employees are often very drawn to it. Nonetheless, the authors also stress that although NPO employees often prefer nonmonetary rewards, they need to be balanced by extrinsic and relational motivational aspects as well. Relational aspects refer to group membership and involvement in higher purpose, amongst others. We can therefore conclude, that every organisation should consider their optimal incentive mix for employees based on those organisational features that could most be efficiently exploited.

2.6 Concluding thoughts

Most of the research on motivational aspects in NPOs suggests that employees are mainly intrinsically motivated by their job. Many scholars argue that because of an organisational higher purpose, employees are willing to accept lower salaries and verify this line of thought by stating that higher purpose serves as an intrinsic motivational

force. Binder (2016), as an example, discovered that despite relatively lower salaries across the NPO sector compared to the private business world, employees are not less satisfied about their wages. He argues that NPO workers feel they are playing a significant role in the organisation and, therefore, their overall satisfaction is higher than in the private sector. Similarly, Donegani, McKay and Moro (2012) also support the idea of NPO employees experiencing a slight but noteworthy subjective well-being premium over for-profit employees. Mirvis (2012) states that this has to do with the trend of higher purpose as NPOs are able to fulfil employees' demands for social responsibility.

Taking into consideration Alvesson's (2013) observations, the higher purpose of an employer provides its employees with a satisfying feeling of being able to be part of a group they look up to and respect. We assume, the respect has been increased due to higher purpose being a significant trend. Additionally, following Alvesson's (2013) line of thought, higher purpose can lead to external recognition. This happens when other people, who share the same interest for social responsibility, give recognition for the employee's meaningful work. Also, Florida (2002), claims that creativity intensive workforce is motivated by external recognition especially from their peer groups. This leads us to question, if higher purpose serves as an intrinsic motivation or if it can be understood to function as an extrinsic motivational force as well.

The trend towards social responsibility also means that organisations need to adapt to this new demand of employees and to rethink their incentive mixes, as Borzaga and Tortia (2006) suggested. As Hoffmann (2006) underlines, employees in NPOs often have strong ideological goals for their work and might request a higher ideological standard from their employer. It is challenging to trigger motivation with organisational purpose as the perception of it is often very attached to the personal values. Furthermore, the source for motivation changes over time and depends on the context (Ryan & Deci, 2000; Florida, 2002; Borzaga & Tortia, 2006; Kamerade & McKay, 2014). This makes it particularly difficult to foster intrinsic motivation. Therefore, having higher purpose as the primary source of employee motivation can also backfire on the organisation if they do not meet the expectations of employees.

3 Methodology

This study focuses on the influence of organisational higher purpose on employee motivation, taking into account a wider societal trend towards social responsibility which has its implications on knowledge-intensive workers. In order to understand if and how higher purpose influences employee motivation, we need to understand how employees perceive the organisational purpose of their employer. Our case organisation is a German NPO, acting in the educational field. Our research focuses on employees that work at the headquarters in Berlin, Germany. The interpretative approach enabled us to shed light on the relationship between the organisations' higher purpose and their employees' motivation. During our on-site visit, we conducted semi-structured interviews with employees from different roles and hierarchy levels. In addition, we made observations during our visit at the headquarters, and we used the opportunity to also analyse the informal interaction between the employees as well as the office space itself.

3.1 Research approach

We decided to take an interpretative stance for our research, as we are aiming to explore how the employees within EE are influenced by the higher purpose of the organisation. Considering Merriams (2002) suggestion, we therefore want to learn about the meaning that employees have constructed about their experiences when working in an NPO, considering especially how higher purpose has influenced it. By choosing an interpretative approach, our initial viewpoint is ontological; we acknowledge that the world is socially constructed and that knowledge is created through social and contextual understandings (Morgan, 1980). In other words, peoples' backgrounds influence how they perceive the world, there is no ultimate truth in social science. Further, different realities exist parallel to each other and the interpretations of people change over time (Merriam, 2002). Our stated perspective and beliefs led us to using an abductive qualitative method for our research. For us, this was an appropriate way to understand the employees' views in depth, as we aimed to interpret the phenomenon through browsing theoretical and empirical research while connecting it to our own empirical material (Alvesson & Sköldbberg, 2009).

In the light of the interpretative view, we approached the empirical material from a hermeneutical standpoint, by going beyond our first impression of the collected data (Alvesson & Sköldbberg, 2009). It allowed us to capture the deeper meanings of the research results. We paid attention not only to the stated answers of our interviewees but also to the way they structured and interpreted situations (Prasad, 2005). This influenced our interpretations of the multiple meanings of the situation. This is of particular importance in our research, as we believe that the perception of higher purpose and its effect on motivation are highly subjective and are not always so obviously visible in the gathered responses. Furthermore, the totality of information was kept in mind, meaning that variations and contradictions between and within the interviews were carefully considered, as suggested by Alvesson and Sköldbberg (2009). We found the latter of special importance for us as we assumed that the effect that higher purpose has on employee motivation depends on various outside factors, such as the overall workload, the colleagues as well as the visibility of the organisational higher purpose. Using the hermeneutical approach, we downplayed our own subjectivity in the study (Kvale, 1996). However, we recognised that it is rather impossible to analyse the data with a truly objective mind, especially when considering our personal interest in the topic. In addition, we agree with Prasad (2005), that previous research and our personal backgrounds influenced our thinking and we were mindful of it. This awareness helped us to reflect on our knowledge and take a step back when analysing the findings.

3.2 Research process

The research was performed in an NPO context, in an organisation called Equality in Education Deutschland (EE). To ensure the anonymity of the organisation, we have changed the name in our thesis. One of us had personal connections to EE from previous voluntary work, therefore, establishing contact with them was easy. We approached the organisation with our potential master thesis topic in mind and within a few days we received a positive reply, and setting up interviews began immediately.

EE was founded in 2008 in Germany. Their organisational mission is to work towards equal educational opportunities for elementary and high school students in Germany, independent of children's social and national backgrounds. EE employs approximately

40 employees within four regions in Germany, and the main office is located in Berlin. As we are aiming to understand the impact of the organisational purpose on employee motivation in the non-profit context, EE provides us with a fruitful platform for our research as they are genuinely engaged in social responsibility, attract altruistic employees and have lower monetary incentives compared to other sectors. We believe the results of this research are also applicable for other organisations with a similar organisational model and emphasis on higher purpose as EE has.

As stated by Merriam (2002), the method for data collection should be chosen based on which source will lead to the most useful information in order to answer the research question. For us this has been the interviews as they allowed us to get further insights how employees perceive higher purpose and how they relate to it. However, as the interviews were conducted on site, we also had the chance to do some further observations as mentioned earlier. In this way we supported our primary method of data collection with another one, as suggested by Merriam (2002). In order to get a complete overview, we also took into account some publicly available company information, such as the annual report, newspaper articles and the company website.

Interviews

As we performed a qualitative research, we aimed to understand the meaning making of our interviewees from their point of view. We, therefore, saw ourselves as travellers, exploring the world of our interviewees and leading them to tell us their own stories and perceptions (Kvale, 1996). This allowed us to “unfold the meaning of people's' experiences, to uncover their lived world prior to scientific explanation” (Kvale, 1996, p.1). All in all, we conducted 11 semi-structured interviews, which were set up with the support of an EE employee. All of the interviewees work in the core team of EE at the headquarters in Berlin. Taking into account the importance of a purposeful sample of interviewees to gather information-rich data (Merriam, 2002), the interviewees were chosen from different hierarchy levels, also considering their tenure in the company. This was done to broaden our perspective on how the source of motivation changes according to one's tenure in the organisation and one's role in hierarchical and technical terms. Some of them had joined recently, others had been working there from the founding of the organisation. In addition, we got a chance to talk to one employee who

had left the company a few years back, as well as the CEO of EE. The interview with the CEO focus both on his subjective experience, but also on gaining insights in the company's strategy regarding employee motivation. As we changed the name of the organisation, we also invented names for all interviewees in order to ensure their anonymity. The decision to change names does not affect the quality of our research results by any means.

All of the interviews were held in English and lasted from 30 minutes up to an hour, on average being 45 minutes long. Despite one interview, that has been done via the internet based voice and video call service Skype, all the interviews were performed face-to-face. They were also recorded with the permission of the interviewees. Both of us were present in the interviews to maximise our ability to reflect and observe the interview situation and to ensure we captured as valid and accurate data as possible. One of us led the interview, while the other asked more specific questions based on the topics the interviewees brought up. As recommended by Merriam (2002), the themes for the interviews were pre-determined, but the order and wording of questions varied and were adjusted depending on the responses and the employees position within EE. The semi-structured interview design allowed us to stay open-minded for potential upcoming topics that were not necessarily anticipated beforehand and allowed the interviewees to elaborate on topics they considered important. Moreover, we asked open-ended questions, letting the interviewees explain freely, for example, what was going on in their organisation (Alvesson & Kärreman, 2003). Directly after the interviews we discussed our main observations as well as complemented and compared our interview notes with each other.

Observations and document review

In addition to performing interviews, we also made observation. Being able to sit at EEs headquarters for one week allowed us to get insights into the organisational life and the interaction between the employees at the headquarters. We agree with Merriam (2002) that this enabled us an access to the first-hand information to clarify the picture for ourselves what role the organisational purpose plays in the daily lives of the employees. Even though we did not participate in any meetings, we found it beneficial to analyse the interaction among the colleagues during the less formal events, such as in the traditional

team lunch and informal chats in the hallways and the kitchen. Being on site also allowed us to analyse, how the organisational purpose was picked up in the office design.

Our third source of data consisted of publicly available documents such as EE's annual report. This data was very helpful for us to understand how the organisational purpose is presented to third parties. The report was available on the organisation's website which was convenient for us as it was an easy way to access this valuable information. Therefore, we were not dependent on the support of organisational members but could still gain some insights before our on-site visit.

3.3 Data analysis

The analysis of the interview data started simultaneously with the interviews, allowing us to make necessary adjustments in the focus of the interviews to ensure that we capture valid data, as suggested by Merriam (2002). Furthermore, the interview recordings were fully transcribed. We followed Ryan and Bernard's (2003) techniques to identify general themes in the transcriptions by discovering repetitions, transitions, similarities and differences, linguistic connections and theory-related material.

As we took an abductive approach to our study, themes came from both the interview data as well as from our prior theoretical understanding (Alvesson & Sköldbberg, 2009). We analysed most of the interviews prior to writing the literature review, in order to stay as open minded as possible, therefore, aiming for data analysis that is less dependent on our prior knowledge. The first step of our analysis included printing all the transcribed interviews. As we split the transcribing task equally, we decided to switch responsibilities during the first round of analysing and coding. Therefore, all interviews transcribed by Petra were analysed by Thekla and vice versa. We performed a first round of reading and detected topics that we found useful to answer our research question. The detected themes were first discussed among the two of us and then categorised in overall themes. A specific colour-code was selected for each main topics which we used in the second round of analysis. The data was looked at from different perspectives moving back and forth between the parts of the empirical material while being mindful of the wider context (Alvesson & Sköldbberg, 2009).

This goes hand in hand with our hermeneutical approach, as we ensured to continuously challenge the data by staying open for alternative meanings to our findings. In order to ensure that we did not neglect any interesting information due to the determined themes, we also had one category that was simply called *interesting*. After the colour coding, we discussed the themes once again and went through each other's notes before we structured our findings in a separate document. There we put each quote under the main themes. At this point we also wrote down initial abstract interpretations of the theme as a whole. It was also necessary to start cutting the number of themes and narrow down our focus, which also meant that we had to adjust our research question several times. The final research question was formed during the intensive discussions what we want to focus on and what is our empirical material emphasising in particular. Subsequently, we focused on searching for evidence to answer the chosen research question. We did this by looking for experiences that were commonly shared among the interviewees, and on the contrary, strong outliers that opposed or gave a different perspective to the common statements.

3.4 Reflexivity and biases

As Alvesson & Sköldbberg (2000) mention, "there is no such thing as unmediated data or facts; these are always the result of interpretations" (p.9). In this chapter we have emphasised our awareness that reality is socially constructed by the people experiencing it. In addition to the interviewees, the latter is also noteworthy when it comes to us researchers (Alvesson & Sköldbberg, 2009). We, as researchers, are influenced by opinions and biases, especially taking into account our personal interest in the topic (Watson, 1986; cited in Daft). We understand biases as the conscious or unconscious interest to impact the information gathered during research (Alvesson & Sköldbberg, 2009). We agree with Tracy (2010) that it is important to be reflective and transparent about our biases in order to ensure sincerity. To do so, we acknowledged conditions that led both ourselves and the interviewees to certain behaviour. In essence, we took into consideration that the "theoretical, cultural and political context of individual and intellectual involvement" (Alvesson & Sköldbberg, 2009, p.269) affected our interpretations and assumptions of the research topic. Moreover, we devote this particular section of the research for reflecting upon our research process and our biases.

Firstly, both of us began the research project with a certain set of expectations and assumptions about what would be the final outcomes of the study. As we had focused on the higher purpose of EE before actually meeting the interviewees, we saw the organisation in a very positive light. We were almost convinced that the interviewees would be also very positive regarding the organisational purpose which we assumed to be of great importance in their daily lives. Acknowledging this helped us to be aware of our own biases. We reminded each other to step back from our assumptions from time to time and to stay reflective, as suggested by Alvesson and Sköldbberg (2009). This helped us to also detect unexpected themes in the interviews.

Our second bias is regarding the specific choices we made when performing our research. Becker (1986) states that it is naïve to assume that one could just neutrally come up with text to write. She mentions that the choices that we made beforehand affect us in whatever we are doing. Therefore, our research results are affected by the people we chose to conduct the interview with, but even more simply by the questions we chose to ask and the topics we wanted to look into. Our interviews took place at the headquarters in Berlin and we left out employees working in the smaller regional offices due to time restrictions. We could assume, that depending on the people we interviewed, the perception of the higher purpose could be very different as the subjective experiences varied and when we consider that the experience of higher purpose is closely related to colleagues sharing success stories among each other. Therefore, the results could have been very different if the regional offices had been considered. As Daft (1983) states, many decisions in research are made by intuition and feelings instead of being rational. Relating to Becker (1986) and Daft (1983) we find it important to thoroughly explain what we noted during our research, not only stating quotes but also giving background information on the situation. This is done in order to help the reader to be able to reflect on how the choices that were consciously and unconsciously taken by us affect our research results (Tracy, 2010). We, therefore, acknowledge that what has been stated does not necessarily reflect the experiences of all EE employees but rather on what we have interpreted out of the interviewees' interpretations (Alvesson & Sköldbberg, 2009).

Taking into account the fashion following trend that we introduced by Alvesson (2013, see ch.2), we agree that people are in generally interested in creating a positive image of

themselves and their organisation. Alvesson states that this can lead interviewees to make their work sound more influential and interesting as this discourse plays an important role when creating a personal status for others. We acknowledge that our interviews might be biased due to the latter point. Especially so, because we expressed a our positive image of the organisation, therefore it might have been of interest for some interviewees to foster this image. In addition, the interviewees were aware that one of us will start working for EE, which might have altered the answers regarding the true nature of the organisation as well. However, we also believe that it was helpful to have this more of a personal relationship, as it increased trust and their willingness to share personal experiences. In addition, all interviews were conducted in English, and therefore not in the native language of either the interviewees nor the researchers. It was therefore necessary to pay increased attention that the meaning of the question was correctly understood by the interviewees, and vice versa, that we understood the correct meaning of their answers. The biases could have been partially resolved as one of us is a native speaker of German and was able to clarify misunderstandings in case they were noticed.

In order to ensure that we are being reflexive instead of just using it as an empty phrase, we aimed to “be frank about our strength and shortcomings” (Tracy, 2010, p.842). We discussed our findings with each other, reminding us of our biases and also ensured that we were open about them in our thesis (Tracy, 2010). This openness was achieved by stating them in this section but also by clearly pointing out those sections where we interpreted the research results. We did so by using phrases such as ‘Based on our interpretations the following quote expresses...’ and ‘this leads us to the assumption...’. As Merriam (2002) states, researchers are the primary source of interpretation of research results as well as literature within qualitative research. Therefore, we wrote our findings in first-person voice and tried to dig as deeply as possible in our study (Tracy, 2010), taking into account that it is not possible to be objective with our socially constructed ideology (Alvesson & Sköldbberg, 2009). We genuinely believe, that even though our personal interest in the topic can be seen as a bias, it should also be seen as a strength, providing us with the energy and endurance needed during the different phases of our research.

4 Empirical Material

This section is meant to build an understanding of our research organisation Equality in Education and will give the reader an overview of our research results. This is necessary in order to understand how the higher purpose of the organisation influences the employee motivation. Therefore, we will first describe the organisation as such before we go into detail on the motivational factors. The data collected during our interviews and observations will be presented in a mainly descriptive way. Based on our interpretation of the data we are going to illustrate how higher purpose serves as an intrinsic and extrinsic motivator and how it reinforces peer pressure while conversely identifying its limitations.

4.1 Equality in Education – company background

Equality in Education Deutschland (EE) is an NPO working towards children's equal education opportunities in Germany, diminishing the influence of children's social background on their educational development and success. In order to fight against inequality, EE recruits, selects, trains and supports graduate students (so called *fellows*) from different educational backgrounds to teach for two years at socially deprived schools. The fellows take responsibility for establishing equal chances for students. EE was founded in 2008 with the first fellows starting to work at German schools in 2009. It belongs to the global EE network with currently 40 countries who share the same goal. Although the national organisations work independently, they also cooperate and have tight relations with each other.

EE grew from a small organisation with a start-up mentality in 2008 to a more mature and highly professionalised organisation in 2015. These developments have led to an increase in the number of employees and also in the levels of hierarchy. Currently the organisation consists of approximately 250 Alumni fellows, 130 current fellows and 40 EE employees. While the fellows are employed by the schools, all actions performed by EE, for example, recruitment and training of the fellows, as well as the wages of employees are funded by external donors. These donors are foundations, private businesses of all sizes as well as private persons. According to a leadership team

member it is part of the strategy that the organisation depends on donors rather than the government:

“We could have tried to get more government money. However, this would give a different touch to the organisation. So I think we are recognised as being close to the economy and bigger companies and that is where we want to be.” (Tim)

The EE headquarters is located in Berlin, however, the organisation is split into four regions and each region has some local employees. The research was performed in Berlin as the headquarters is by far the largest region in terms of the number of employees and because our research aims to understand how paid employees in NPOs are motivated by the higher purpose of their employer. We are concentrating solely on recent or former employees, not taking into account the perspective of the fellows who are employed by the school.

The organisation focuses on open and transparent communication of strategic decisions and developments. As one employee mentioned:

“I think in comparison to big for profit's, in NPO people demand transparency. They want to feel like they know what's going on and how the decisions are made and ideally want to be part of that decision. Actually to voice their concerns, when they hate the decision. I think that's something you don't get in the corporate world.” (Sophie)

However, it was also noted that the level of transparency decreased since EE was founded. When the organisation was still small in size, the decisions were taken with all concerned staff. Now, due to the number of employees and the size of the organisation, this is not always possible. It is therefore the leadership team that has the responsibility of strategic decisions and they then inform the staff members accordingly. Nevertheless, there are regular meetings where the staff members have the opportunity to raise topics they would like to discuss and to question the decisions taken.

4.1.1 The people

We got to know the EE employees as open-minded, friendly and positive spirited people. Most of them are between 25 and 35 years old, therefore in a similar age group and belonging to the millennial generation. The majority of employees started working for the organisation directly after finishing college or as their second job. Even though not

all of the staff members had an education that was related to their current job, almost all of them have a college degree, some a PhD. Furthermore, most of the employees have been working before for a higher social purpose, either professionally or voluntarily before joining EE. This passion to change things in society, is also something that the organisation demands from its applicants. When asked why people apply to the organisation, Tim answered that EE has a set of reasons that expects their applicants to have:

“They want to change something, they are really motivated for educational issues [...], they are really political and want to contribute in the political change in the country, they want to learn about leadership and they want to push through their boundaries, take the next step and take on the challenge.” (Tim)

This quote reflects that the type of people who are interested in working for EE generally have the dynamics and the energy to impact social well-being. We noted that the organisation makes use of this energy efficiently by channelling it towards a common vision. How this is done will be reflected in the coming chapters.

We noticed that the EE staff on the one hand share similar characteristics. During the interviews, many employees reflected upon the great team spirit and the similar-mindedness among employees. In addition, they emphasised their mutual anger and frustration towards the German education system and seemed to share similar beliefs. Many of them are in line with what Andrew stated:

“I don’t think it is bad to sell stuff, it’s also important. I only say that my vision and internal values are more compatible with the ones of an NPO, it’s a personal preference.” (Andrew)

Our interviewees often noted that they either could not imagine to work for a for-profit organisation or could only imagine working for one, where the company values are aligned with their personal values.

Also the idea that working for an NPO brings trade-offs was something that does not bother the staff members within EE too much. They mentioned during our conversations, that they are willing to accept a lower salary, higher working hours as well as some insecurity about their job because the organisation depends on donations because they recognise the value in what they are doing:

“Time for private matters I would say, it has always been a topic in this organisation. [...] That is one of the main trade-offs. And on the other hand because the job and the team is really interesting and the topic really matters it is no trade of but it is a fair deal.” (Thomas)

“I think EE is paying really fair for an NPO but still it is not the same than if I would have studied IT or whatever. But I chose it and that is totally fine with me.” (Maria)

Many responses are aligned with Marias comment – the salary paid by EE is high enough to make a living, especially in Berlin, therefore, it is fine that it is not as high as in the for-profit sector. In addition, another interviewee pointed out, that higher salaries also mean less money for the programme as the salaries are paid by the money from the donors.

Even though the employees are willing to accept trade-offs and are bound to the organisation by their personal interest in the topic, the turnover within EE is quite high, as according to the interviews, employees stay with the organisation 2-3 years. Tim explained this as follows:

“We attract the young talents that are on the market, and we want to attract them, so we want to have the best people that fill our positions, then we have to accept that they move on after some years to take on the next challenge.” (Tim)

He points out that the employees are highly qualified people who have an interest to change something in the society and therefore they have also a strong interest to develop themselves. As the organisation is rather small, it is not always able to fulfil this request, especially if staff members want to have management responsibility. We will elaborate further on this when talking about development opportunities as a motivational factor.

4.1.2 The purpose

When opening the organisational website, different pictures and critical statements are displayed:

“FAIR - Get out of your comfort zone! If you think everyone deserves a fair chance, then start working towards it!”

“COURAGEOUS - Everyone can talk about it, you want to act.”

“GERMAN - You want to work towards a Germany where the potential of a person counts more than their origin.”

These statements mention some key words that can be found in EE’s organisational purpose and also reflect the kind of people employed by the organisation and those who the organisation wants to attract. EE wants to fight the inequality that still exist in the educational system in Germany. The main idea is that schools prepare students for an independent life as mature and responsible individuals. According to the organisational website success in Germany is still very dependent on the origin of the children and 20% of all children leave school without being able to read, write or calculate sufficiently.

The organisation emphasises its purpose in various ways. For example, it is pointed out in their public communication, such as the website, marketing material and social media. Also, the decoration in the office space is related to the purpose. The walls are decorated with pictures of students from different ethnical backgrounds, the core values are displayed in the main meeting room which is also used as a lounge, and the regular team newsletters include success stories of the fellows from the school field. In addition, all team members are encouraged to accompany the fellows to the school at least ones a year.

4.2 The overarching power of higher purpose

We noticed a wide range of different factors that motivate the employees of EE. Thereby, the purpose of the organisation serves as an overarching power, tying different parts of the organisation together, and at the same time being the safety net that the employees can rely on during periods of frustration. In the following section we will share our results and provide a further understanding how higher purpose leads to emotional attachment and as a result fosters motivation.

4.2.1 Higher purpose: a driver and a pressure

At the beginning of our interviews we asked the employees how they came to work for Equality in Education, and already at that stage higher purpose as well as the identification with the problem as such was emphasised. Most interviewees expressed strong feelings regarding the purpose which led them to engage thoroughly in the work.

Ann, an employee who had worked for EE almost since it was founded, described her strong negative feelings about the German educational field, which had then encouraged her to pursue a career at EE instead of continuing her university research career:

“And then I did the two years of teaching [as a fellow] and knew I could not go back to research afterwards, because I was so touched by the situation and I am really angry about what happens in the German education system. On the other hand, I felt like ‘Ok, it is possible to support those children and create a job of that’.” (Ann)

Also, another employee mentioned the shared anger towards the schooling system:

“I think everybody here shares the same vision, like anger of the current system and wants to change it. No matter if people apply here as graduates, or have been working already for 10 years.” (Lea)

These type of comments are common among the interviewees. Most of the applicants had formed an opinion about the German educational system prior to joining the organisation. Also the CEO mentioned, that the values attributed to the purpose are not open for discussion; either you believe in the children's right for equal education or you are better off somewhere else. This could lead to the conclusion that there is some kind of self-selection within EE, fostered by the purpose and resulting in the attraction of people who are especially intrinsically motivated and willing to strongly engage in work.

However, we also talked to employees who noted that they did not think about the overall purpose of the organisation when applying at EE. They were rather attracted by the position. Hence, for some interviewees the connection to the cause only emerged at a later stage when they had already started to work for EE. For example, Caren, was first more interested in the job in itself but once she got to see in practice how the organisation impacts children's well-being, her motivation to work hard increased even further:

“First, when I applied I thought “ok, the job is in line with my educational background and it is for a good reason”. But when I first went to visit one of the schools we cooperate with [...], then I realised how hard it is to manage those kids. But also how thankful the children are. And then I realised ‘Ok, maybe it is really worth to go an extra mile for this job’ and ‘it is no normal job for sure’.” (Caren)

All in all, many interviewees shared the views held by Caren, that they consider their job as something bigger and more purposeful than most other jobs.

The interviews revealed that the combination of initially being convinced about the job itself and later on identifying with the organisation can result in high commitment. For example, Sophie stated that when the job is close to your own biography and passion, people tend to work long hours and go the extra mile. Grace also expresses, that she feels that the efforts taken are part of something bigger and meaningful, and not only about increasing the profits of "just another" business:

"I wouldn't do this just for some company to make a few bucks more. When I feel like I need to finish this today then I finish it, because I know why: Otherwise the applicants are just not going to come in." (Grace)

While the quote on the one hand shows the commitment towards EE, it also indicates notions of pressure that their higher purpose might trigger in employees. We had other interviewees also mentioning that if they decided against working long hours to finish their tasks it would lead to a lower improvement in the children's future opportunities, as evident in the following quote:

"The danger of having this big vision is that everyone is like: 'Come on, we have to do this for the kids'. Like the danger is that you work too hard. So we have to take care of that. But I think you do see the motivation, like if it is necessary and you have to work longer or if it is necessary to go to other cities on the weekends." (Lea)

Lea points out that the commitment of the employees is triggered by the organisational vision. She adds that the vision can be understood as a pressure, leading to increased working hours.

We noticed that the level of emotional attachment to the organisational purpose varies, for instance, Caren highlighted that she is far less emotionally attached to the purpose compared to some of the team members she manages. She said that she sometimes needs to set boundaries for her team members, by discerning which projects need to be postponed due to resource deficit. She also emphasised that this role is not always easy, however, it is more natural for her than for those that are strongly emotionally attached to the purpose. This links to the previously mentioned pressure higher purpose triggers, as shown also in the following quote:

"So sometimes because we have so much to do, we need to postpone certain projects, and if I tell my team members, they start crying and say 'oh but I want to do it because it is so important, it is for the children'." (Caren)

This statement reflects that strong emotional attachment can serve as a great motivational force, but at the same time may cause opposite feelings, leading to frustration and feeling of not being able to sufficiently help the children in need. Therefore, the organisation simultaneously allows employees to channel their energies and passion to address the societal challenges, however due to EEs external funding the financial resources and the manpower for additional projects are limited making it difficult to follow through with all planned projects.

4.2.2 Higher purpose: fostering emotional attachment

The scarcity of resources was mentioned numerous times as the main limitation to push ideas through. Time and money are tight and therefore not all the things that the organisation would like to execute see the light of day:

“You have a lot of ideas, but you miss the resources, personal and financial. This is the most frustrating. you never have the feeling that you're really finished. I never have my head free of work related thoughts. There is always something to do and its always something urgent and important.” (Judy)

“I mean sometimes of course you feel frustrated, when you don't manage to get all the things done that you wanted to do in a day.” (Ann)

In addition to the limited resources, the tight collaboration and reliance on external parties make it more challenging to achieve results and breakthroughs.

“When you feel like you're close to a breakthrough in something and everyone puts their time and energy to this for something. And then something happens that is out of your control and everything seems to fall apart.” (Sophie)

The three previous quotes reflect the emotional attachment of the employees to the organisation. In addition, they show that setbacks are affecting the employees personally.

Andrew took the thought of emotional attachment further and connected it to the fact that Equality in Education is a fairly young organisation that still needs to fight for its space. The previous discussion emphasised the positive aspects that emotional attachment can have for an organisation, generating a drive among the employees and leading to a strong commitment. However, the following quote reveals also how exhausting it can be to be driven by the purpose:

“Changing something means that the environment is not always friendly to you. It means that the organisation has to fight a lot to create room in the German society. [...] You need such a great source of energy and it costs. [...] This fighting within the environment of course produces attrition, because you have to grow and make room for yourself.” (Andrew)

He continues his thought saying that this can also result in people leaving the organisation, which is usually not in EEs interest. Sophie adds to this view, saying that commitment comes and goes depending on what is at that moment important to the employees. Therefore, the organisation should not rely on their staff always going an extra mile:

“You see people who are really invested in the cause and therefore don't consider it as work. I think, that obviously comes and goes in waves, cause every now and then other things are more important and I think that's fine. And I think, we should not rely on people just being so committed to the cause that they will sacrifice their weekends. But I think, it is natural when people are engaged in something, every now and then they will.” (Sophie)

The previous discussion shows that the EE employees are convinced of the organisations' higher purpose and points out the potential of higher purpose to lead to emotional commitment. That this is can also strengthen the pressuring force of higher purpose will be more thoroughly discussed later.

4.2.3 Higher purpose: an invisible force

We have talked a lot about the purpose and its different functions in the previous discussion. This might lead to the impression that it is always playing a big role. However, many employees mentioned that the organisation's purpose is often buried under the day to day work and that its importance increases during stressing, tiring and frustrating times. The organisation is trying to suggest major changes to the German education system and naturally has to fight for their space in the society and accept defeats, while also dealing with the scarcity in resources. In this context, the interviewees emphasised the power of the organisational purpose as a motivating factor to keep them going during more difficult times. The purpose therefore seems to act as an overarching safety net that, depending on your role in the organisation, is not always visible but serves in the background as a reminder to the staff of their works purpose. Caren points out that there are times in every job, where it seems to be impossible to

handle the situation any longer, however working within EE she can motivate herself with the purpose. The following quote displays how she motivates herself when everything goes wrong, the IT equipment fails and the day goes not as planned:

“[...] then I start thinking about the mission, for example, if we have 10 more days until the application deadline, then I think ‘hopefully we find a lot more fellows for the South [of Germany], because it is so important that the children in the South also get good fellows’ [and this keeps me going].” (Caren)

She continues saying that on days where everything goes well, she is not so much motivated by the mission, but is rather just doing her job:

“But on those days where everything works fine, I also do only a job: working my tasks, being happy. But in those moments where I am really stressed and tired then it is good to think about the mission and to know that in the end it is for a higher goal. And it helps for sure [to work for an NPO], it is easier now than when I was working for a for-profit organisation.” (Caren)

Andrew expands on this point, mentioning that especially in frustrating times, the purpose can unleash additional energy:

“This is the moment [during tiredness and frustration] when values and how present the values are, give everyone a boost, energy and motivation to keep on doing this even when it’s hard and you can’t see the results. It belongs to this job.” (Andrew)

He points out that the purpose can support in difficult times. Our interpretations of this points towards employee’s emotional attachment to the purpose. The attachment strengthens the importance of the purpose and therefore helps to carry on in frustrating times, which as discussed earlier are common in NPOs especially because of the scarcity of resources.

4.2.4 Higher purpose: creating opportunities

In essence, the interviews revealed that the employees within EE believe in the impact their work has on society and the way it improves society. Even though they mentioned more often that it is difficult to make the impact visible, they emphasise the importance of having a meaningful job. As Thomas quote points out, for him it would not make sense to work in a job that does not contribute to the society:

“Basically right now, living in this general political and social environment that we are in, it does not make any sense to work in anything else than an NPO which actually tries to work on these issues, making things better. So for me it depends very much on the mission. I mean, I could of course imagine to work in the private sector but there needs to be some kind of serious contribution. Like I could not imagine to work for Deutsche Bank or something. And of course it does not necessarily have to be EE.” (Thomas)

We find Thomas’ statement on the rational of preferring to work for an NPO very intriguing. For him the organisational purpose plays a major role in choosing an employer; the purpose has to be somewhat socially responsible and have a higher meaning. Interestingly enough, he also points out that his intrinsic motivation to work for a higher purpose is not bound to the organisation itself but rather to the cause in general. Similar to Thomas other interviewees emphasised that the purpose is something they consider as important when looking for a new employer. For example, Judy answered, when asked which characteristics she would like her future employer to have:

“That’s a good question. [...]. I guess the educational sector is something I would love to stay afterwards, so I guess NP or public administration, if I changed my position.” (Judy)

Taking into account also the previous discussion, we can therefore notice that among the EE employees there is a consensus on the importance of the purpose when looking for a future employer.

The discussion on the question about future employers also revealed that, according to the interviewees, it is not easy to find a job in an NPO. Sophie stated the following:

“Generally speaking I would say yes [I could work for a for-profit organisation]. I have worked in the for-profit sector as well and I found myself not being motivated simply by pecuniary elements. It’s hard to get a job in the NP sector that pays of financially and in the long run perspective. It’s a very small market and many people would love to work there. If I could choose I would do that [stay within NP sector], but I really don’t know if that’s a perspective I can really plan fit.” (Sophie)

Congruent with this, Tim and Thomas both mentioned during their interviews, that they usually have a high number of applicants for positions at EE. It seems to us that this

mirrors the upcoming trend to work for organisations with a purpose within the society in general.

4.2.5 Higher purpose: leading to responsibilities

Our interviews revealed that there is an importance for organisations to emphasise their higher purpose and to make it visible in order to benefit from it. Based on our observations this is due to the general societal trend towards social responsibility and also because people within NPOs require transparency from their employer. Different interviewees mentioned that the impact of their work is fairly hard to measure in a quantitative manner, therefore the success stories demonstrating how EE is improving the children's lives play an important role. Grace mentioned that stories shared in internal communication between the fellows and the organisation motivate her:

“We also need to go to a lot of people to ask them to spread our messages and to ask other people to apply, and obviously not everyone is always nice. Sometimes that's frustrating. But I feel that the nice little success stories play a big role.”
(Grace)

Along Grace, other interviewees said that they get inspired by the success stories they hear from the field. Conversely, it was mentioned, that stories in which fellows have not been able to help a child also function as an important motivating factor to try harder. As Ann mentioned, there are situations of time pressure and stress where people forget to share stories, even though everyone, especially in the leadership team, considers it very important to do it:

“I mean you come here to the office, and we have our meetings and so on and sometimes you forget about it. And I mean I cannot forget because I work with fellows and I go to the schools. But some others don't, so it is really important, and I take it as my responsibility as well to bring these stories into the organization.” (Ann)

Ann points out, that the connection to the field and therefore the amount of information regarding what actually happens in the field is dependent on one's role within EE. In line with this, other employees also mentioned that hearing about the impact of their work is especially motivating for those employees who are not directly working with the fellows.

In addition, our interviewees also argued that their strong emotional bond to EE results in organisational responsibilities that are different compared to those in the corporate world. One example was given by Sophie, who stated that employees request increased transparency:

“I think in comparison to big for profit’s, in NPOs people demand transparency. They want to feel like they know what’s going on and how the decisions are made and ideally want to be part of that decision.” (Sophie)

We assume that this request is strengthened by the close knit between the personal values of the employees and EEs organisational values. Sophie continues, saying that it is not easy to fulfil this requirement:

“And finding that fine line between a culture that allows people to know what’s going on and to feel like they are part of the big decisions [...] – especially in a growing organisation that moves from five people who know everything to forty people and four offices – that is very tricky.” (Sophie)

Following Sophie’s thought, also other interviewees mentioned that EEs growth requires a change in the processes, such as less transparency. EE was founded in 2008 and therefore has been maturing during the last years, developing from a start-up mentality to a more established organisation.

Even though the transparency decreased to some extent compared to the early years, many employees pointed out that they have considerable autonomy when making decisions related to their position. That both transparency and autonomy can lead to increased attachment to the processes and consequently towards feeling protective about those processes, was conveyed by Sarah, who left the organisation in 2011:

“I think it was probably a good time to leave because it was time for new people to come in and that way I didn’t feel so personally protective about the way things worked. At some point [...] if you wanted to change something it felt like ‘well, we’ve always done it this way, we came up with it this way’.” (Sarah)

In line with Sarah, Maria also mentioned in her interview that the changing processes within EE is quite difficult because of the personal involvement and emotional attachment of numerous people.

The previous discussion highlights the fragile nature of a higher purpose; on the one hand it can make employees work extremely hard and be committed to their work, and on the other hand it leads to emotional attachment to the organisational processes.

Therefore, changes can lead to a clash between personal and organisational values and are difficult to manage for an organisation. Combining these challenges with the outcome of our interviews that people are more connected to the purpose than the organisation as such implies the complexity to ensure employee retention. However, we will see in the following that there are additional motivational factors that influence and are influenced by higher purpose and can strengthen its effect.

4.3 Facilitating higher purpose

As suggested in the prevailing discussion, higher purpose is a major source of motivation at EE. Nevertheless, we also discovered other important motivational factors, that can limit but also strengthen higher purpose as a source for motivation. We infer, higher purpose decreases its impact if used in isolation, and wherein other motivational factors are disregarded. In the following, we therefore want to take a closer look on two factors that were strongly emphasised when talking about motivation at EE. We suggest that development opportunities and colleagues can strengthen the motivational effect of higher purpose as they colleagues play an important role for our interviewees and were often related to motivation. In addition, we are going to discuss the impact of recognition. We felt that it played a big role when talking about working for an NPO even though only few of them explicitly mentioned it as a source of motivation.

4.3.1 The importance of development opportunities

As previously explained EE aims to hire highly qualified staff with a strong motivation to contribute to political and societal change and the ability to push through their boundaries. It was also described in our interviews, that the highly qualified employees strive to advance their learning. As Sophie explains, there are situations where the purpose as such is not able to keep them within the organisation:

“We have tons of people who have said ‘I love this team and the mission, but I have to quit. Time for a next step. I wish I could stay but it’s not possible.’”
(Sophie)

What she refers to as a *next step*, we can directly link to the need of taking a next step to develop oneself further. It seems that although the ex-employees still genuinely care about the purpose and share the organisational values as their own, it is not enough to

motivate them to stay with EE any longer. Interviewees revealed that for two to three years you continuously have new tasks and challenges, but after a while it becomes a bit more routinised.

Sophie continues that EE attracts idealistic graduates, who's expectations for development are sometimes challenging to meet. These people have high energy-levels, no family ties, and are ready to work hard. In a way 'quick learning' is also puzzling for the organisation in the long term:

“They can have a very steep learning curve and after two years they feel like ‘so what's next?’ And there is no next cause there is a low hierarchy and there is a cap on how much you can earn [in this sector].” (Sophie)

Taking into account the low hierarchy and small number of employees, there are not that many opportunities for advancement to management level.

We can see that on one hand side the development opportunities are a source of motivation and retention but should the learning curve flatten, it may lead to people leaving the organisation. A former employee commented on this:

“For me the reason to stay for much longer than I had planned to was that I learned so much. I always felt that there was a lot more to learn. And I was going to stay as long as it felt like there was more to learn here than anywhere else. And that's maybe also why I left when I began to feel like I was the one teaching new things to the others.” (Sarah)

EE acknowledges the challenge and agrees that a certain degree of attrition is normal due to the limited development opportunities. They said that the positive side of it is that the organisation remains flexible and is able to think outside the box, but on the other hand the turnover creates challenges for knowledge management. It can lead to some frustration among some employees, when one needs to reinvent the wheel time after time.

The leadership team explained that they aim to attract people who are willing to give a lot and are interested in personal development. They also explained that EE is known as a vocational training organisation for employees who are interested in pursuing a career in the educational field. It is kept in mind that this also leads to getting employees who are not planning to stay long with the organisation:

“We attract the young talents that are on the market, and we want to attract them, so we want to have the best people that fill our positions, then we have to accept that they move on after some years to take on the next challenge.” (Tim)

In 2013 and 2014 there was a lot of discussion on how to increase the development opportunities for employees to decrease attrition. The main reason for leaving, indeed, was that the employees did not see opportunities for professional growth. This led to some strategic discussion on whether EE wanted to be a training school for graduate students for a few years at a time or decide to take action in order to decrease turnover. EE decided to go for the latter option:

“We started having a level of senior managers. So there was an additional layer of responsibility, added hierarchy. It helped to keep some people and provide the next step.” (Thomas)

What is interesting here, is that the organisation decided to add a superficial layer of hierarchy in order to tackle attrition and to create development opportunities. However, the interviewees often emphasised how much they appreciate the low hierarchy and bureaucracy as well as the open door policy. Yet, as to increase employee motivation, the organisation decided to add an additional level in the organisational structure which was not necessarily needed for functional purposes. This challenges the interviewees talk around preferences of low hierarchy. This was also mentioned by Ann:

“Usually people say ‘no it is not important for me’ but in fact it is. People want to move on and don’t want to be a manager forever, they want to become a senior manager. And sometimes as a senior manager they want to become a Head of a department.” (Ann)

So, the additional hierarchy level was described to us as them having new entry positions, starting from junior managers which can later on advance to a senior management position. It is used as an incentive for people to see the bigger picture more clearly; that if one does a great job in the junior position, they are more likely to advance on the career ladder:

“...if I do a good job it is more likely to, well it is not really a promotion in that sense, but yeah a new title, a bit more of salary and a bit more of responsibility. Yeah, it is a way to achieve that people stay a bit longer.” (Thomas)

To us, the quote above underlines the superficiality of the hierarchical roles, however, it seems to work for people and thereby is a partial answer to attrition as well as boosting employee performance.

This previous finding makes us ponder the reasons for this preference as well as the discourse among employees on low hierarchy. When we asked Ann to elaborate this, she stated:

“I think it is recognition of your work internally. Once you work really, really hard and build good things for the organisation, you want it to be recognised. And not only by an ‘oh, thank you so much’. In addition, we are an NPO, meaning we are dependent on external funding – maybe we exist next year or maybe we don’t. Each one of us is just happy to build up a CV, which will help when applying somewhere else.” (Ann)

It seems that the employees want both to improve their professional skills as well as gain a new official title. When we analysed these comments, we noticed that the employees are interested to legitimise their knowledge and send a message to others in order to get external recognition from both colleagues and people outside the organisation. This is the case in an NPO, where the hierarchical structures matter a lot, even if these are often classified as inflexible and unnecessary for organisations. Furthermore, the fragile existence of the organisation, also seems to make employees consider what they can take with them in case this organisation no longer exists a year from now. Therefore, the personal development is a crucial factor to motivate employees and to balance out the organisation’s insecure future.

We find the nature of EE as an organisation very fascinating. The highly qualified people come and go, but are willing to stay if they have adequate development opportunities. The continuous need to adapt to the environment creates chances for EE; the employees emphasised how great it is to work in an organisation that supports continued learning and self-reflection. The employees get to work with inspirational people who share their knowledge and insight. In addition, the constantly evolving organisation develops in a highly dynamic environment which creates unique learning opportunities for its employees. Continuing our thought, we will in the following provide insight how working with inspirational people can increase employee motivation.

4.3.2 The importance of working with inspirational colleagues

When we discussed the interviewees' relationship to their colleagues and to the global EE network, we noticed that the EE people in combination with the organisational culture play a significant role in employee motivation. Furthermore, we subscribe to the premise that the social network of colleagues is the key point in enhancing the organisational purpose as a source for motivation. We assume that without the good relationships internally, the higher purpose would be much less of a motivating factor, as it seems to gain a lot of power when being shared with other people. Further, we found that once you are surrounded by similar minded people who work for the same goal, the whole organisational purpose becomes more tangible and attractive. When there are other people beside you fostering this mind-set, it can enhance commitment to the organisation as well as legitimise the work. This is evident in Maria's comment when she told us what she likes about her job:

"The colleagues... like the whole spirit. [...] There are all the people that share the same motives and all those alumni. You know them and when you need help, you just have to write a message and they will reply "oh, yes it is for EE, of course I help". We are a big network and you don't have to explain why this is important because they all think it is important." (Maria)

The comment above also stands for the positive work environment at the office, which we also sensed strongly when conducting the interviews at EEs office premises.

Furthermore, the interviewees felt proud to be part of EE network, which, we assume, also speaks for them believing in the higher societal purpose. In addition, the employees praised the culture wherein everyone helps each other, irrespective of their official title.

"Our source of motivation is also to help people around you [...] Everyone invests a bit personally and that is important. It's not a formulated expectation but I guess everyone automatically just does it and if someone doesn't, it would not be perceived well." (Judy)

The latter comment underlines the friends-culture in which everyone helps each other. For us it also tells a lot about the organisational culture when Judy says that it would not be perceived well if one did not invest a bit more personally, therefore, the culture supports mind-set of working collectively, supporting each other when needed, and in a manner treating your role at EE as a bit more than a job. The employees at all levels are there to provide assistance and support both during good and more challenging times.

The outstanding team spirit was a component which received widespread praise. Thomas's quote summarises well the similar comments that we got, in the case where they were asked what they appreciate most about their job:

"The people you work with. Because they are all very much vision driven, very motivated, and it is very important to them to work on a team and they all come with different perspectives which is very interesting and although there are sometimes different opinions, they all work towards this same goal and that is very motivating." (Thomas)

In his final sentence, Thomas emphasises how having the same goal unites the employees at EE. Even though the perspectives among the employees might vary, they are still working for the same goal.

Also many interviewees mentioned the home-like culture at work, which was often referred to as being casual but at the same time professional. We assume, that the positive atmosphere is something that is partially fostered by the organisation and partially an outcome of the good personal relationships among the colleagues. As one interviewee described it:

"I am really relaxed working here. I can laugh all day if I want. I mean there is always a colleague that I can talk to and even if there this a conflict or whatever we are really reflexive on everything." (Maria)

One employee elaborated on this thought further and emphasised that this is not only for the sake of positive atmosphere but also for something that the context of the operational field of the organisation demands:

"Changing something means that the environment is not always friendly to you. It means that the organization has to fight a lot to create room within the German society. [...] The team needs to work deeply together and stay together [to meet these challenges]." (Andrew)

Even though Andrew points out that there are challenging situations when working for an NPO, he sees the colleagues as a supporting function to meet these challenges.

In addition to the great team support, the interviewees seemed to be excited to work with highly qualified colleagues as it also affects their ability to develop professionally as they can learn a lot from each other and share different viewpoints. As Maria puts it, being part of highly qualified individuals pays off:

“If I do this a couple more years, I could be really good at this. Because my boss is really good and my colleagues are good, and you learn a lot every day. And that is what I like about the job because it is very different every day and you learn a lot because there are so many different people.” (Maria)

Maria’s comment indicated to us that the colleagues truly respect each other and enjoy working together. We feel this can enhance motivation significantly as one gets to benefit from working in proximity to inspiring and experienced individuals. This affords employees the opportunity to learn from those that they want to identify with, assisting in their personal growth. Furthermore, this may have implications of pushing one’s own performance further. This was something that often came across in the interviews, the idea that all the employees need to work together and contribute equally. Also, it indicated to us that the organisational culture demands the employees be humble, self-reflective and open for learning. As Caren mentioned:

“You meet a lot of really interesting people. You also learn not be jealous, because it is really crazy what some of them have done before. It makes you think ‘where did you take this time?’.” (Caren)

Caren’s statement also reflects the positive opinion she has of her colleagues and also implies that the the EE staff in general is very engaged in societal issues.

When we asked the CEO how they are able to attract such talented individuals, the answer was that good people attract good people, and there is always the word of mouth. We find that these aspects also legitimise the work and give the organisation a certain higher status in the job market. In addition, the good atmosphere as well as the talented individuals institute a form of soft organisational control, as the expectations from each other increase and employees are motivated to justify their meriting a place in the organisation. Caren referred to the learning organisation and open feedback culture of EE:

“We have a really strong feedback culture. So everything we do, we get feedback on. [...] So your ego has to work a lot in the beginning, because I think, maybe people in other companies will think about it but will never tell you. At EE you get a lot of feedback and you also learn to give feedback. I think this is one of the relevant reasons [for development] also.” (Caren)

Furthermore, Maria told us that one characteristic for NPO work is long days at work, however, this appears to be fine as long as she gets to work with her nice colleagues. Therefore, it seems the colleagues on the one hand side indirectly challenge each other

to enhance the performance but on the other hand also serve as a safety net that one can rely on.

When we analysed the wider EE network encompassing the fellows, we noticed that also the fellows are highly educated people with interesting and diverse backgrounds. Once a year EE organises a summer academy to train the new fellows. All the employees get a chance to attend this event:

“For me it’s a huge privilege to work with the fellows during the summer. I really cannot wait for the summer institute to start.” (Ann)

“... I just go and visit there, but its spirit... I mean there are all the people that share the same motives...” (Maria)

These answers indicate that the EE network of fellows have a similar impact on the employees as the colleagues. The fellows also clearly make the purpose more visible and tangible. All the interviewees talked about this summer as one of the highlights of the year. Based on our observation, we see it as a significant motivational factor for many employees, to be able to see what their work results in real life and to get to spend time with people with a similar opportunistic energy. In addition to the internal network of EE, employees were also expressing excitement and proudness in forming part of the global EE network of national organisations. The employees’ comments on the network reflect how the overall goal of the organisation connects the people worldwide and serve as a considerable motivating factor.

“There is something special about the global EE network. This mentality of yellow hats – you put on your hat and it symbolises a possibility. There are huge challenges especially in the schools where we operate, and we have to believe that there is a solution. [...] We have to struggle and we have to fight challenges, have to be very strong as a team and have our possibility hats on.” (Ann)

The previous quote exemplifies one of EE’s values of thinking in opportunities. For us it seems like when one is aware of the worldwide network of people believing in the same purpose, it enhances the belief in the meaningfulness of one’s work. In other words, you are not alone fighting against the inequality. We also see this as a soft form of network control, everyone has each other’s back, inspire each other but also expect results towards achieving the higher vision.

All in all, the interviews revealed the importance of colleagues and the network as a source of motivation. It seems that the purpose of the organisation becomes more

tangible when it is shared with other similar minded people. However, we also want to note that the colleagues and the network can create soft forms of control inside the system as one is both inspired by others but expectations to deliver are also high. One does not want to fall short and let down the peers that they hold in such high regard. Sharing the purpose also gives a legitimate status for it and again helps individuals to get through times when the exogenous factors are making it difficult to suggest and implement changes to the system.

4.3.3 The importance of external recognition

We have now discussed external recognition in regards to development and promotion opportunities as well as peer recognition. We established that employees find both organisation internal and external recognition significant as a source of motivation. Interestingly enough, only a few of the interviewees explicitly mentioned the importance of external recognition, but for us it seemed like one of the main motivators. This was evident, for instance, when employees described to us the view of their family and friends on working for an NPO. Ann's quote is an example of experiences that are commonly shared among the EE employees:

“Most are really like: ‘Oh that’s cool, tell us more about it, it sounds really interesting’ and ‘Oh, you’re doing something needed, I don’t know how I go to the office every day but YOU, YOU do SO meaningful and great work’. Mainly the reactions are really really positive.” (Ann)

We felt that by contrasting their career to the ‘a bit meaningless’ for-profit careers the interviewees mirrored their own feelings of what it means for them to work for an NPO. It came across from the interviews, that those who do not work in the NPO sector, are envious of them, highlighting their braveness to jump out of the ‘money-driven hamster wheel’ in order to work for a higher purpose. Furthermore, it seems that the recognition from family and friends is one source to legitimise their work and the related trade-offs. They also exhibited pride in inspiring others to work for a higher purpose as well.

Additionally, it was mentioned that external communication, the stories that the media express about the organisation significantly influence the feelings of the employees. Caren gave us an interesting example of this, when the local newspaper wrote an article about a new concept of an “instant teachers”, which was based on a research in

collaboration with a university. The research stated that the EE fellows do actually have the same level of teaching after the two-year fellowship program than students that have a degree from teaching in particular. This was a bit of a sensitive statement and caused discomfort among some of the employees:

“Some of our employees were worried about it. They said: ‘Oh, instant teacher, that sounds awful, if all the teachers read it now...’. They are really sensitive to what others think about EE.” (Caren)

For us, the example above, reveals of how important it is for some employees to have the acceptance from the German teachers and other stakeholders from the educational field. We find it interesting, that on the one hand the organisation attracts people who are eager to think outside the box and also willing to put up a battle to change something in the very established educational field. And then on the other hand the external environment also sets certain boundaries to what extend the employees are willing to stretch the opinion of external audience, even if they genuinely stand behind the purpose. This exemplifies that even if the people work for the same purpose, they do not always fully agree on the way things are done, which we find to be a very natural behaviour. However, we assume, that if the employees strongly identify with the organisational purpose and are emotional attached to it, the different opinions on how to handle certain situations create bigger friction among people.

All in all, it is noteworthy to see that in general the employees truly appreciate the uniqueness of NPOs but still care a lot about how others view them. In other words, they are very proud of representing an organisation that has the ability to think outside the box, and is flexible in the way they organise and also the manner in which they draw public attention to political and societal challenges. While highly appreciating these facts, it is evident that public opinion matters, and affects what is considered the legitimate course of action in the organisation. Thereby, we opine this shapes the factors that employees find motivating.

4.4 Wrapping up the empirical material

In this chapter we illustrated our interpretations and observations of the 11 interviews we conducted at EE. Our main observations concentrate on two themes: firstly, the organisational higher purpose serving as a motivational factor and secondly, additional

sources of motivation that can strengthen but also limit the motivational effects of higher purpose. This underlines that higher purpose does not work in isolation but depends on other factors, although it was evident that all interviewees highly valued the organisational purpose and shared the same goal.

The first theme concentrates on identifying the extent to which higher purpose fosters motivation. It was apparent that it serves as an overarching power. It connects the people and the departments, and serves as a safety net for employees which they can rely on when going through times of frustration. In our discussion of higher purpose as either a driving or a pressuring force, we noticed that the interviewees' emotional attachment can lead higher purpose to function as a double-edged sword. On the one hand, the work is experienced as meaningful which motivates one to go an extra mile. On the other hand, it creates *vision pressure*, and one can find it difficult to take distance to their work. For instance, interviewees mentioned that working less overtime can result in lower improvements for the children that EE is trying to help. Our discussion further revealed that the purpose is actually often buried under day-to-day work, creating a need for the organisation to make it visible. In addition, the interviewees noted that the importance of the purpose increases during challenging times. Lastly, we also discovered that the nature of higher purpose as a motivating factor is very fragile due to employees often having a higher emotional attachment to it. Thus, organisational changes may lead to a clash of personal and organisational values. The latter is a challenge that is potentially problematic to manage as the values are so close to the identity and self-image of the individuals.

The second theme focuses on factors that influence the power of higher purpose as a motivating factor. The interviewees told us that there are several other motivational aspects existing parallel with the higher purpose. We found two main aspects that are greatly important for the employees: personal development opportunities and working with inspiring people. In addition, the strong motivational impact of recognition – internal and external – was apparent, even though it was not often mentioned explicitly under this term. Our interpretations based on the material implicate if the stated expectations are not met, the power of higher purpose as a motivating factor diminishes, and the commitment to EE as an organisation decreases. Related to development opportunities, the interviewees clearly stated that they have a strong desire to develop

themselves, work with interesting topics and advance in their careers. It was also mentioned, that they are happy to stay at EE as long as they feel that they are learning. Coming to the second aspect we noted that the employees highly appreciate the opportunity to work with inspiring and intelligent colleagues. In addition, even though the employees did not explicitly mention the importance of peer recognition, it was very evident to us. Therefore, the colleagues serve as a source of motivation, make the purpose more tangible when sharing it, but also create soft forms of organisational control. Moreover, we also want to note that the recognition from external parties, as well as their opinion of EE as an organisation, mattered a lot for the employees. In the following chapter we turn to discuss these interesting findings further and see how they link to the reviewed literature.

5 Discussion

The previous chapter provided insights in our empirical material. This chapter focuses on relating the findings to the theoretical framework reviewed in chapter 2. Most importantly, we aim to increase our understanding of higher purpose as a source of employee motivation. Considering the empirical material, we found several aspects of how a higher purpose affects employee behaviour. Due to the ambiguity of these effects, we aim to challenge the sometimes overly positive implications of the phenomenon suggested by the prevailing literature. In order to do so, we must first understand the main arguments that create this image. On the one hand, the common opinion amongst scholars suggests that NPOs attract mainly intrinsically motivated employees because of their purpose and that this purpose can therefore be seen as a competitive advantage for NPOs (Hansmann, 1980; Kamerade & McKay, 2014). On the other hand, the recent societal trend has strengthened the positive perception of higher purpose. The current era of post-scarcity allows people to focus on societal issues rather than pure survival, which consequently increased the interest of employees to work for organisations with a higher purpose (Inglehart, 1999).

It is not of our interest to claim that higher purpose affects employees only in a negative way. We are certain it has a lot of positive effects to it, but we intend to present a more nuanced understanding of the phenomenon and underline its multi-dimensional character. Therefore, we want to challenge the two main themes in the following discussion: firstly, the difficulties in distinguishing intrinsic and extrinsic motivation, and secondly the pressures employees may experience when working for a higher purpose. The broader societal trend towards social responsibility will be noted in all parts of the discussion, and our last argument will emphasise in particular its fragile nature and the possible implications for organisations when using higher purpose as a primary, motivational factor.

5.1 Motivation – two sides of the same coin

As stated in the introduction, we did not find a clear-cut distinction between extrinsic and intrinsic motivation when analysing the main sources of motivation for our interviewees. We therefore want to challenge the prevailing literature that often

suggests that NPO employees are primarily intrinsically motivated (e.g. Benz, 2005; Kamerade & McKay, 2014). The dominant literature's main argument for this claim is signalled by an employees' willingness to accept a lower salary when working for a higher purpose. In line with this, the majority of our interviewees were passionate about the purpose to a high extent and, in addition, mentioned that they could have a higher salary in a for-profit organisation. In this sense, we agree that the organisational purpose can positively impact employee motivation.

As we shall explain below, for us it seems very challenging to see NPO employees being solely intrinsically motivated about their work. We propose that an individual can experience both intrinsic and extrinsic motivations at the same time to various degrees depending on the context. For instance, the EE employees are getting paid for their work and they are keen to develop themselves professionally and climb up the career ladder. Despite these extrinsic motivators, we find no reason to doubt that the employees would not be intrinsically motivated to work for a higher purpose, rather the other way around. These type of examples portray that intrinsic and extrinsic motivational factors work the best when they are in balance and both are being considered. In addition, we believe that higher purpose can also serve as an extrinsic motivation, not only intrinsic. For instance, EE employees are highly motivated by external recognition, and working for a higher purpose often brings about positive recognition from external parties. Again, the employee can be genuinely intrinsically motivated to engage in their job, and simultaneously extrinsic motivational factor completes and enhances it; the external recognition can be understood to legitimise one's work for higher purpose.

Our latter interpretation, that work towards higher purpose can be experienced as both extrinsic and intrinsic motivations at the same time, is aligned with the self-determination theory presented by Ryan and Deci (2000; also Deci & Ryan, 1985). The authors suggest that self-determination, in other words, the level of autonomy in deciding to internalise organisational purpose, has a similar effect on motivation than intrinsic motivation has. Therefore, the distinction is not as clear or important as often suggested in the literature. We will attempt to explain in the following sections what lead us to these assumptions.

5.1.1 Extrinsically motivated by higher purpose

Employees are assumed to be intrinsically motivated, if they altruistically engage in certain tasks as a consequence of their passion rather than the aim to gain rewards or reinforcement for their work (Ryan & Deci, 2000). In contrast, extrinsic motivation arises from the instrumental value of an action – you do something to gain something else that is not directly related to the task. This can be in form of financial rewards, but also recognition or promotion opportunities (Koch, 1956). Taking into consideration the two definitions as well as the responses we got in the interviews, we reached an understanding that higher purpose is both an intrinsic and an extrinsic motivator.

Our interviews showed that the purpose is not only valued internally but also by external parties. For instance, EE receives numerous applications when posting open positions. The high level of employee qualifications serves to highlight the attractiveness of the purpose in influencing young talented individuals to apply for an NPO. The strong preference among the individual to work for the non-profit sector is particularly interesting if we consider that the EE employees, with their advanced educational qualifications, would have no issue in obtaining a well-paid job in the for-profit sector. This can be linked to Alvesson's (2013) claim that people are eager to construct a positive self-image of themselves. Alvesson also highlights that people are motivated by the current trends, whereby, societal influences greatly determine what we consider as attractive, and in what we want to be identified with. In this sense, working for a higher purpose can be a chance for employees to get external recognition. This is also what the interviewees indicated when telling us that they often receive positive reactions from friends and family for their meaningful work. Furthermore, some of them highlighted that they have inspired other people to quit their for-profit jobs and pursue a career within the non-profit sector. Ryan and Deci (2000) also underline that the social expectations and one's official role in the organisation often convince people to perform acts that are not intrinsically motivating but may come with external recognition. We can conclude that this shows the power of external recognition, which can be more of a sub-conscious motivator, legitimising the decision to accept the trade-offs compared to the private and public sectors. In addition, the sub-consciousness underlines the difficulties to separate intrinsic and extrinsic motivational factors, as we will see below.

When looking at some actions taken by the organisation to ensure employee retention, it became apparent to us that the EE employees care about the way they are perceived by others. In order to decrease attrition, EE created an additional hierarchy level which is not necessary for functional purposes but to signal that promotional opportunities will arise as a result of good employee performance. By adding this level, EE reacted to the demands of employees to develop professionally and gain status. For us, this can also be understood as legitimising one's knowledge and status for others, as the new title does not necessarily imply changes in the job descriptions but instead values the experience and performance of the employee. This is in line with Alvesson's (2013) suggestion that people invest a lot of effort in order to be perceived by others in a positive light. Our interviewee Ann reflected on this by saying that employees find it helpful when building their CVs, as it may prove useful when applying somewhere else. She elaborated that this is seen of great importance especially when taking into account the dependence on external funding. We view this also as evidence for our argument that higher purpose can serve as an extrinsic motivational factor because of its' positive effect on the employees' image.

5.1.2 An inseparable pair: intrinsic and extrinsic motivation

The interviews indicated that working for an NPO often leads to positive external recognition. To us, it seemed that the recognition is highly appreciated by the employees and serves as a motivator that keeps them going. However, none of our interviewees explicitly mentioned them being driven by external recognition. When discussing the reasons to accept trade-offs, such as longer working hours and lower salaries compared to the for-profit sector, they frequently explained this because they have a strong belief in the organisational vision to improve the German education system. Based on the latter two examples, it seems to us that higher purpose can serve as both an intrinsic and an extrinsic motivator at the same time. On the one hand, the employees seem to engage in their work because they find the work highly meaningful in itself. As Sophie stated:

“It's not like I need to stop working because now I need free time, it's like I really want to do this, so I am going to do it.” (Sophie)

On the other hand, it can be understood as an extrinsic motivator for the recognition it brings about, due to the prevailing trend of social responsibility. The latter also

contributes to the employee's creation of a positive self-image. Hence, we find it very challenging to separate intrinsic and extrinsic motivation. The intrinsic and extrinsic motivations complete each other. As mentioned before the highly meaningful job does trigger intrinsic motivation, but without any extrinsic motivational factors, we highly doubt the employees would engage in their job to this extent. The balance is needed between the two, and depending on the situation at the work, the degree of both extrinsic and intrinsic motivation fluctuate, making it difficult to accurately define the source of motivation of individuals.

The latter was also underlined in the interviews. Some of the interviewees highlighted that, to begin with, they were more interested in the job function itself, instead of the greater organisational purpose. Only over time, did the importance of the higher purpose increase. Thereby, the organisation has, intentionally or unintentionally, influenced the process of an employee to internalise the values and the purpose. Based on our observations this was achieved, for example, by making the purpose visible and shared among colleagues. However, the employee still decides autonomously. These types of cases suggest to us that higher purpose is also an extrinsic motivation as it is affected by the organisation and by colleagues. The latter is a good example of Ryan and Deci's (2000) self-determination theory, which refers to the degree of autonomy when the individual decides to internalise organisational values. Thus, over time the autonomous level of extrinsic motivation works just like intrinsic motivation as the values gush from themselves, making the experience more personal, hence more intrinsic-like. Also, the process of internalising values is often subconscious, which means that the only difference of experiencing intrinsic or autonomous extrinsic motivation is the initial trigger of the motivational factor. As the interviewees mentioned, they have voluntarily decided to work for an NPO and are aware that the package deal comes with trade-offs that are to be accepted.

5.2 Purpose – a double-edged sword

Looking at the previous discussion, we understand higher purpose as an overarching motivational factor for the EE employees as it impacts their motivation in various ways. However, based on our interpretations of the interviews, we also understand higher purpose in a more nuanced way and find potential limitations to it in serving as a

motivational factor. We noticed that its nature as a source for primary motivation can be very energy consuming for both the individual employee and the organisation as a whole. In particular, at EE the higher purpose seems to have led to what we label *vision and peer pressure*. What we define vision pressure as the pressure that occurs when working to improve a societal situation – the employees feel the need to work long hours and invest a lot personally in order to improve educational equality. When talking about peer pressure, we refer to the strong engagement of the employees in their work due to the shared belief in the purpose among the EE employees as well as the high commitment of employees towards their work. We will elaborate in the following how both pressures can be experienced as a performance booster, but at the same time an energy consuming factor.

5.2.1 Creating vision pressure

Vision pressure can be experienced as emotional, attachment to the organisational vision and purpose. Based on our observations, this seemed to be the case also at EE as the employees were highly driven by the cause. Florida (2002) proposes that contemporary organisations shift their focus towards creating emotional attachment between employees and organisations, instead of focusing purely on profit-driven incentives. Therefore, it is also a wider phenomenon for organisations to rely on people's emotional attachment. At EE, we noticed a strong alignment between the organisational values and the employees' personal values. This observation was strengthened by the emotional attachment our employees showed to the organisational purpose when commonly stating that they are feeling anger and frustration towards the inequality in the German educational system.

The emotional attachment to the organisational higher purpose and the alignment of personal and organisational values have several implications. Different interviewees mentioned that they accept longer work hours because they feel that their job has a deeper meaning to them. Furthermore, some of them mentioned that there is the possibility to take time off after working extra hours, but in reality this is seldom done due to the high workload and the importance of the work. As Caren described to us, she finds it easier to make rational decisions as she is less emotionally attached to the vision compared to many of her team members. Hence, she sees it to be her duty to protect her

team from getting exhausted by setting boundaries for them. However, she also stated this as an unpleasant responsibility because it feels like violating other people's feelings and their genuine passion.

NPOs, just as EE, often operate in difficult settings, being exposed to external influences such as changing environments and scarce resources. Hence, EE especially depends on the engagement and motivation of their employees. The resulting strong emotional attachment can provide their employees with the needed energy when trying to achieve complex changes in the society. At EE, we noticed that the vision connects the whole organisation. This was acknowledged by the employees as well, who noted that they enjoy sharing the higher vision with their colleagues. It may be true, as Sawhill and Williamson (2001) claim, that working for a common goal and seeing results unify the employees, however, the NPO setting makes this more challenging. In an NPO it is difficult to measure how the abstract mission is being achieved, and therefore, can lead to frustration among the employees when one cannot concretely see the results of their work. We can therefore conclude that higher purpose allows employees to engage in meaningful work and provides them with the necessary energy to keep going. Nonetheless, it also creates a pressuring force, making it difficult for employees to set boundaries. This leads to the question how much can one stretch one's resources to contribute to vision achievement without wearing out, which serves to highlight the energy consuming effect of higher purpose.

5.2.2 Creating peer pressure

Our interviews as well as the on-site observation at EE revealed the outstanding relationships among EE colleagues. They especially appreciate the opportunity to work with similar-minded people as well as the possibility to learn from each other. We also noted a strong commitment and resilience among the staff. Our interviewees mentioned that the higher purpose is sometimes buried under the high amount of daily tasks, however the social events with their colleagues serve as reminders of the common goal. We therefore accept that close relations among the staff foster the engagement towards work by allowing to share beliefs and making higher purpose more tangible. By this we mean, for instance, that when EE employees get together, they share stories regarding their work, painting a clearer picture for their colleagues how the mission is being

achieved. Furthermore, the get-togethers and shared success stories remind the employees of their common goal which at the end of the day is something the whole staff cares deeply about. This is one solution to the challenge that we have already discussed; the difficulty to show success towards the ambiguous mission of an NPO (Sawhill & Williamson, 2001).

Drawing attention to our interpretations of the interviews, we propose that the colleagues, in particular, are the glue between different motivational factors. Firstly, colleagues foster and enhance higher purpose, making it more tangible when it is shared with similar minded people as mentioned above. Secondly, the interviewees emphasised that continuous professional development is one of the key motivational factors. We therefore suggest that the internal network of highly qualified colleagues can also be understood as an important source of learning. All in all, we perceive that the colleagues play an important role in this context, especially in an NPO that has scarce resources to be invested in staff development and where the relatively flat hierarchy does not provide infinite opportunities for career building. Thirdly, as higher purpose is an intense and somewhat energy consuming source of motivation, the colleagues work as a safety net that one can rely on when, for instance, employees experience significant setbacks caused by external factors.

There is a consensus among our interviewees that everyone in the organisation works hard, especially because of the shared goal. The employees seem to find it important not to let their colleagues down and the respect shown to each other is evident from the hard work and shown commitment. For us, the unwritten expectations and the close relationship among the colleagues at EE, that seem to push people to go the extra mile, can be related to the phenomenon of soft organisational control presented by Florida (2002). According to Florida, peer recognition and peer pressure can lead to soft organisational control as it creates internal competition among the employees by relying on people's intrinsic motivation. However, we challenge Florida's claim of organisations relying on people's intrinsic motivation; in this case, the competitive environment among colleagues could also be understood as competition for external recognition. Therefore, we suggest that the 'healthy competition' can be triggered by extrinsic motivational factors.

Additionally, Alvesson (2013) points out that our role models have become our competitors, which we can also see, in subtle ways, occurring at EE. As the employees highly value their colleagues, they can also be seen as those people, one wants to identify with. The more qualified and hard working the colleagues are, the bigger the demands grow for one to fit in the circle of colleagues. Also, the CEO reflected on this by noting that ‘good people attract other good people’ to work for EE. Therefore, the peer pressure is embedded in the organisational culture, and can for some be understood just as energy consuming as the vision pressure. As mentioned in our interviews, some employees have left the organisation after a few years because the hard work is tiring and does not suit every stage of life. Therefore, the constant challenges that are experienced as a motivating factor by the majority, can also be understood as energy consuming for others. Taking both sides into consideration, we agree with Sophie:

“We should not rely on people just being so committed to the cause that they will sacrifice their weekends. But I think, it is natural when people are engaged in something, every now and then they will.” (Sophie)

Her comment summarises our discussion on the double-edged nature of higher purpose and also points out the fragility of the phenomenon. In the following we will reflect on the fragility further, taking into account the wider societal trend.

5.3 Swimming with the tide

EE acts in a highly dynamic environment, collaborating closely with external parties, for instance, with German governmental bodies and external funders. We suggest that the strong dependence on external factors can affect how higher purpose is experienced. In other words, as higher purpose is so closely knit to the employees’ identity, it may lead to stronger reactions to organisational change. For example, when the external environment demands EE to abandon projects or to take a new course of action, it may create uneasiness among the employees to a greater extent than it would in another organisation that has less attachment to a social purpose. As Alvesson and Sveningsson (2008) have pointed out, every organisation is acting in a wider economy and is sensitive to external events. Furthermore, change always has a high potential for creating cynicism and frustration among employees, especially if it does not immediately create something more substantive and better.

The interviewees explained to us that occasionally, when EE went through changes, people have left the organisation, due to a feeling that the new way of organising is not aligned with their personal values and visions. This is exemplified during organisational changes, where a strong attachment to the higher purpose may cause unbearable uneasiness among the employees. Moreover, these types of situations are very challenging to be managed by the organisation, as people do not easily want to change their inner values (Alvesson & Sveningsson, 2008). Nonetheless, we learned from the interviews that even if employees leave EE, there are several potential candidates ready to take on the challenge, yet, a lot of energy is consumed to get them up to speed.

Our final remarks consider the nature of higher purpose as we noticed that in the literature it is often referred to as an organisational trend. We assume this may result in certain implications on its continuity. What characterises trends, is that they are phenomena that come and go, are constantly developing, and exist parallel with other trends (Alvesson, 2013). Therefore, the trend of higher purpose can also be understood as a temporary phenomenon, thus, a fragile source of motivation. As we learned, at the present time EE receives a lot of positive recognition from external environment. As a result, we propose that the current era is optimal for NPOs. This is because a lot of people are looking for meaningful jobs, as discussed in our literature review, thus, making it easier for NPOs to attract a highly qualified and committed workforce. NPOs meet the expectations that the creative and knowledgeable people demand from their employer. But as trends develop and change, the question remains open for us, what happens when the focus shifts elsewhere and the trend of higher purpose needs to make room for other trends.

5.4 The discussion in a nutshell

Concluding our discussion, we want to point out that for EE employees higher purpose can trigger both intrinsic and extrinsic motivations concurrently, and we find it challenging to make a clear distinction between them in real life. For example, we learned that higher purpose brings about external recognition which is a significant source of motivation for employees, nevertheless, it does not diminish the genuine intrinsic motivation to work towards a socially responsible goal. We also observed that the nature of higher purpose is occasionally energy consuming for both individuals and

the organisation as it may lead to vision and peer pressure. Both pressures can serve as a source for energy, however, one can also feel inadequacy when fighting for higher purpose. Peer pressure can also be experienced as soft control when the work culture unofficially pushes employees to efficiently deliver results.

Furthermore, we want to highlight that higher purpose as a motivational factor does not work in isolation, but needs to be balanced with other motivational factors. For EE employees, development opportunities and inspirational colleagues are of great importance to keep them going. We also argue that the wider trend of social responsibility has shaped employees' expectations for their employer; EE is increasingly expected to meet the needs of its altruistic and highly educated staff in order to retain them. The strong emotional attachment to the purpose and the alignment of personal and organisational values can lead to unbearable friction during times of organisational change because the employees seem to be more committed to the purpose than the organisation itself.

6 Conclusion

Our interest in the researched topic arose when observing the ongoing discussions among our fellow students about potential future employers. It seemed to us that one of the main factors the students expected from their future employer is them having a higher purpose. Thus, we wanted to find out:

How does higher purpose impact employee motivation in non-profit organisations?

In order to do so we positioned ourselves in the interpretative paradigm and used qualitative methods, mainly interviews, to collect empirical data for this research. We therefore did not aim to find the ultimate truth but rather to gain further understanding of the phenomenon. The literature review revealed, that there is limited information on higher purpose as a motivational factor, especially within the non-profit sector. Furthermore, most scholars argue that higher purpose mainly attracts and fosters intrinsic motivation. This common assumption sparked our curiosity to analyse the relationship between higher purpose and the recent societal trend towards social responsibility. Further, we wanted to know, whether the increasing longing for external recognition in Western societies can be linked to the popular discourse of higher purpose. In the following we are going to give a short summary of our main findings, that were pointed out in more detail in our discussion. In addition, we will elaborate on possible implications our research has for organisations. Finally, we will state some contributions of our work and end the chapter with suggestions for further research.

6.1 Outcome of the study

After researching the impact of higher purpose on employee motivation, we noticed EE employees relate closely to the organisational purpose, and it serves as an important source for motivation. They are passionate about their work and willing to invest a lot of personal resources to it. Interviewees emphasised, that their job is not just another job but something much more meaningful - a channel to express personality as well as personal values and passions. Thereby, based on our interpretations our main proposal of the study is that higher purpose functions as an intrinsic as well as an extrinsic motivational force at the same time, and in real life we find it very difficult to separate

the two. This challenges the dominant literature that argues NPO employees being primarily intrinsically motivated due to the organisational higher purpose. Further, although higher purpose can be considered as extrinsic motivation in some cases, it does not diminish the genuine passion of the employees to work with socially responsible matters. Therefore, we suggest that a mixture of incentives is needed and that higher purpose does not work in isolation, but needs to be balanced with other motivational factors in order to be experienced as an efficient motivational factor for employees.

In particular, we understand higher purpose as a nuanced and ambivalent phenomenon, which also has a possibility to work as a double-edged sword. On the one hand it serves as a source of motivation, and on the other hand it can lead to the creation of peer- and vision pressures among employees, producing soft forms of organisational control. The pressures may lead to employees experiencing inadequacy and the need to work long hours for the higher cause, especially when one is surrounded by peers doing so – everyone is expected to deliver results. This can be experienced as motivating but sometimes also energy consuming, depending on the context.

Moreover, other significant motivational factors are external recognition, self-development, and belonging to a group of highly educated colleagues. Lastly, we want to emphasise the effect of the societal trend on higher purpose. Based on our analysis, higher purpose would be much powerless source of motivation without the societal trend which makes individuals and organisations to increasingly engage in social good. Additionally, we propose that the prevailing trend leads to external parties recognising and admiring those working in NPOs, contributing to the attractiveness of the whole non-profit sector.

6.2 Contributions and implications

As mentioned, only limited research has been conducted on the impacts of higher purpose on employee motivation, especially in the non-profit sector. Therefore, we claim that our research is adding to this academic discussion. In particular, we contribute to raising awareness of understanding the nuances of higher purpose as a motivational factor. We emphasise that it can be understood as a source for both intrinsic and extrinsic motivation, and in real life it is difficult to make a clear-cut

distinction between them. This thought is often neglected by the dominant literature. We also raise the points that have affected the trend of social responsibility as well aspects that make people attracted to it. In addition to the theoretical contributions, we are certain our study also has practical implications, which will be elaborated in the following.

The literature claims that higher purpose can be seen as a competitive advantage for NPOs (Kamerade & McKay, 2014). We would like to draw attention to the following points that should be considered before taking this statement for granted. Furthermore, we believe that these will also assist organisations to exploit higher purpose as a motivational factor.

As the recent study of Ohlrich (2015) proposes, the contemporary workforce demands a stronger alignment of personal and organisational values. Therefore, if an organisation wants to exploit their higher purpose as a motivational factor, they need to make it visible and sensible. Even better if employees have emotional attachment to it. In order to make higher purpose more visible, we suggest it needs to be efficiently communicated and socially shared in the organisation, for instance, it should be brought up in social gatherings as often it gets buried under daily work. On another note, organisations need to ensure they are not fully relying on higher purpose, but use it as a part of a broader mixture of incentives. This follows the line of thought of Borzaga and Tortia (2006) who suggest that organisations should build their incentive frameworks on motivational factors, that they can most efficiently provide. For example, higher purpose for NPOs is the reason to exist and they often tend to have scarce resources, therefore, the optimal option is to exploit higher purpose and attract people who are primarily motivated by nonmonetary rewards. In this sense, these organisations should focus their efforts to meet the expectations of the people they want to attract by presenting the higher purpose in a visible way.

We also suggest, that once employees' expectations are met, they are more willing to accept trade-offs, such as relatively lower salaries compared to private sector. In the case of EE, the fulfilment of altruistic needs led them to agree on trade-offs. Lastly, we want to point out that our study indicated that employees seem to be much more committed to the purpose itself rather than the employing organisation. Thereby, we

again emphasise that higher purpose as a motivating factor should not be used in isolation. The EE employees, for example, are strongly driven by other motivational factors such as development opportunities and working with inspiring and driven colleagues. It seemed that if these needs are not being met, higher purpose cannot make up for them alone. Additionally, due to the close alignment of personal and organisational values, organisational change may cause uneasiness among the employees if the new way of organising is not pleasing the individuals. We propose that organisations should employ a mix of personalities with different degrees of emotional attachment to the purpose. In this way a healthy balance can be maintained when the more attached employees keep the purpose more visible and the less attached employees can take distance to it and make rational decisions in the heat of the moment. As evident, we can see the double-edged nature here as well.

6.3 Further research and final words

When analysing the empirical data, we experienced difficulties to reduce the number of themes, as there were numerous interesting points that would have merited further analysis. In the end, we concentrated on challenging the literature of its overly positive assumptions of higher purpose as a motivating factor. Additionally, we found it intriguing to take a closer look on how the societal trends impact employee motivation in general. Thereby, further research could be conducted on how societal trends, in general, affect other motivational factors, such as employees' demands for learning and development opportunities. Another topic that we stumbled upon during our study was the self-selection among NPO staff. It would be interesting to perform further research how NPOs attract similar minded people and which implications this brings to employee motivation and the purpose as such.

We started our thesis with a quote and will not miss the chance to reflect upon it in the end of the thesis:

“You cannot motivate the best people with money. Money is just a way to keep score. The best people in any field are motivated by passion.”

Eric Raymond, The Cathedral and the Bazaar

Although our study takes a slightly critical perspective of the motivating impact of higher purpose, it became obvious to us, that it can certainly enhance passion for the job, functioning as a significant motivational factor for the EE employees. Furthermore, we are convinced that the passion and strong emotions are also essential in the NPO context, which demands high energy levels in order to push societal changes forward in a complex and ever-changing environment.

References

Alvesson, M. (2013). *The Triumph of Emptiness: consumption, higher education, and work organization*, Oxford: Oxford.

Alvesson, M. & Sköldbberg, K. (2009). *Reflexive methodology*. Los Angeles: Sage.

Alvesson, M. & Sveningsson, S. (2008). *Changing Organisational Culture: Cultural change work in progress*. London: Routledge.

Becker, H. S. (1986). *Writing for Social Sciences: How to Start and Finish Your Thesis, Book, or Article*. Chicago: University of Chicago Press.

Benz, M. (2005). Not for the profit, but for the satisfaction? Evidence on worker well-being in non-profit firms, *Kyklos*, vol. 58, no. 2, pp. 155–176, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 22 April 2016].

Binder, M. (2016). “Do it with joy!” - Subjective well-being outcomes of working in nonprofit organisations, *Journal of Economic Psychology*, vol. 54, pp. 64-84, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 4 April 2016].

Bingham, J., Mitchell, B., Bishop, Derron G., Allen, N. (2013). Working for a higher purpose: A theoretical framework for commitment to organization-sponsored causes, *Human Resource Management Review*, vol. 23, no. 2, pp. 174-189, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 21 April 2016].

Bonnera, S. & Sprinkle, G. (2002). The Effects of Monetary incentives on Effort and Task Performance Theories, Evidence and a Framework for Research, *Accounting, Organizations and Society*, vol. 27, no. 4, pp. 303–345, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 27 April 2016].

Borzaga, C. & Tortia, E. (2006). Worker Motivations, Job satisfaction, and Loyalty in Public and Nonprofit Social Services, *Nonprofit & Voluntary Sector Quarterly*, vol. 35, no. 2, pp. 225-248, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 27 April 2016].

Byerly, R. T. (2014). The social contract, social enterprise, and business model innovation, *Social Business – an interdisciplinary journal*, vol. 4, no. 4, pp. 325-343, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 27 April 2016].

Cunningham, I. (2001). Sweet Charity! Managing employee commitment in the UK voluntary sector, *Employee Relations*, vol. 23, no. 3, pp. 226-240, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 24 April 2016].

Daft, L. R. (1983). Learning the Craft of Organizational Research. *Academy of Management Review*, vol. 8, no. 4, pp. 539-546.

Deci, E. & Ryan, R. (1985). Intrinsic Motivation and Self-Determination in Human Behavior. New York: Plenum.

Dees, J. and Anderson, B. (2003). Sector-bending: Blurring Lines Between Nonprofit and For-profit, *Society*, vol. 40, no. 4, pp. 16-27, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 24 April 2016].

Donegani, C., McKay, S., & Moro, D. (2012). A dimming of the “warm glow”? Are non-profit workers in the UK still more satisfied with their jobs than other workers? *Advances in the Economic Analysis of Participatory & Labor-Managed Firms*, vol. 13, pp. 313–342, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 22 April 2016].

Eikenberry, A.M. and Kluver, J.D. (2004). The Marketization of the Nonprofit Sector: Civil Society at Risk?, *Public Administration Review*, vol. 64, no. 2, pp. 132-140, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 24 April 2016].

Florida, R. (2002). *The Rise of the Creative Class: and How it's Transforming Work, Leisure, Community and Everyday Life*, New Zealand: Hazard Press.

Forth, J., Bryson, A., & Bewley, H. (2006). Small and medium-sized enterprises: Findings from the 2004 workplace employment relations survey. London: Department of Trade and Industry.

Frank, R. (2001). What Price the Moral High Ground, *Southern Economic Journal*, vol. 63, no. 1, pp. 1-17, Available through: LUSEM library website <http://www.lusem.lu.se/library> [Accessed 21 April 21 2016].

Glavas A. & Kelley K. (2014). The Effects of Perceived Corporate Social Responsibility on Employee Attitudes, *Business Ethics Quarterly [serial online]*, vol. 24, no. 2, pp. 165-202, Available through: LUSEM library website <http://www.lusem.lu.se/library> [Accessed 10 February 2016]

Green,F., Gallie, D., Felstead, A., Zhou, Y. (2008). Skills Survey, 2006. [data collection]. UK Data Service. Available through: <https://discover.ukdataservice.ac.uk/catalogue?sn=6004> [Accessed 28 April 2016]

Handy, C. (2002). What's a Business for, *HBR on Point*, no. 239, pp. 1-9, Available through LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 13 November 2015]

Hansmann, H.B. (1980). The Role of Nonprofit Enterprise, *The Yale Law Journal*, vol. 89, no. 5, pp. 835-901, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 20 April 2016].

Hoffmann, E. (2006). The Ironic Value of Loyalty: Dispute Resolution Strategies in Worker Cooperatives and Conventional Organizations, *Nonprofit Management & Leadership*, vol. 17, no. 2, pp. 163-177, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 5 May 2016].

Inglehart, R. (1999). Globalization and Postmodern Values, *The Center for Strategic and International Studies and the Massachusetts Institute of Technology; The Washington Quarterly*, vol. 23, no. 1, pp. 215-228, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 5 May 2016]

Kamerade, D. & McKay, S. (2014). Is There a Subjective Well-Being Premium in Voluntary Sector Employment?, *Voluntas*, vol. 26, pp. 2733-2754, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 16 April 2016].

Karl, K. & Sutton, C. (1998). Job Values in Today's Workforce: A Comparison of Public and Private Sector Employees, *Public Personnel Management*, vol. 27 no. 4, pp.515-527, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 5 April 2016].

Koch, S. (1956). Behavior as Intrinsically Regulated: Work Notes toward a Pure-theory of Phenomena Called Motivational, M. R. Jones ed. Nebraska Symposium on Motivation, Lincoln, Nebraska: University Nebraska, Press

Kotler, P. & Lee, N. (2005). Corporate Social Responsibility: Doing the Most Good for Your Company and Your Cause. Hoboken, NJ: John Wiley & Sons. Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 27 April 2016].

Kvale, S. (1996). *Interviews: An Introduction to Qualitative Research Interviewing*. Thousand Oaks: Sage

Maslow, A. H. (1943). A Theory of Human Motivation, *Psychological Review*, vol. 50, no. 4, pp. 370-96, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 27 March 2016].

Merriam, S. B. (2002). Qualitative research in practice: Examples for discussion and analysis. San Francisco: Jossey-Bass

Mirvis, P. (2012). Employee Engagement and CSR: Transactional, Relational, and Developmental Approaches, *California Management Review*, vol. 54, no. 4, pp. 93-117, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 24 February 2016].

Morgan, G. (1980). Paradigms, Metaphors, and Puzzle Solving in Organization Theory, *Administrative Science Quarterly*, vol. 25, no. 4, pp. 605-622, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 20 January 2016].

Ohlrich, K. (2015). Exploring the Impact of CSR on Talent Management with Generation Y, *South Asian Journal of Business and Management Cases*, vol. 4, no. 1, pp. 111-121, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 12 April 2016].

Porter, M. & Kramer, M. (2011). Creating Shared Value, *Harvard Business Review*, vol. 89, no. 1/2, pp. 62-77. Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 2 May 2016].

Post, J. (2015). Forty Years On: Still Searching for the Corporation-Society Paradigm*, *Zeitschrift Fuer Wirtschafts- Und Unternehmensethik*, vol. 16, no. 2, pp. 136-149. Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 5 May 2016].

Prasad, P. (2005). *Crafting Qualitative Research: Working in the Postpositivist Traditions*. New York: M.E. Sharp, Inc.

Preston, L. E. (1975). *Private Management and Public Policy: The Principle of Public Responsibility*, Palo Alto, CA: Stanford University Press.

Prewitt, K. (1987). Key Activities in the Nonprofit Sector. W.W. Powell & R. Steinberg (eds), *The Nonprofit Sector: A Research Handbook*, Yale University Press, New Haven and London. p. 357

Prichard, C., Boon, B., Bill, A. & Jones, D. (2006). Creativity and Class, *Ephemera Reviews*, vol. 6, no. 4, pp. 517-525, Available online: <http://www.ephemerajournal.org/sites/default/files/6-4prichard-etal.pdf> [Accessed 6 May 2016].

Raymond, E. (2001). *The cathedral and the bazaar : musings on Linux and open source by an accidental revolutionary*, Sebastopol, Calif. : O'Reilly.

Ryan, G. & Bernard, R. (2003). Techniques to Identify Themes, *Field Methods*, vol. 15, no. 1. pp. 85-109. Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 15 April 2016].

Ryan, R. & Deci, E. (2000). Intrinsic and Extrinsic Motivations: Classic Definitions and New Directions, *Contemporary Educational Psychology*, vol. 25, pp. 54–67, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 5 April 2016].

Sagawa, S. & Segal, E. (2000). Common Interest Common Good: Creating Value through Business and Social Sector Partnerships, *California Management Review*, vol. 42, no. 2, pp. 105-122, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 15 April 2016].

Sawhill, J. C. & Williamson, D. (2001). "Mission Impossible? Measuring Success in Nonprofit Organisations, *Nonprofit Management & Leadership*, vol. 11, no. 3, pp. 371-386, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 20 April 2016].

Stinglhamber F, Marique G, Caesens G, Desmette D, Hansez I, Hanin D, et al. (2015). Employees' Organizational Identification and Affective Organizational Commitment: An Integrative Approach. *PLoS ONE*, vol. 10, no. 4, pp. 1-23, Available through: LUSEM Library website <http://www.lusem.lu.se/library> [Accessed 15 April 2016].

Tracy, S, J. (2010). Qualitative Quality: Eight "Big-Tent" Criteria for Excellent Qualitative Research. *Qualitative Inquiry*, vol 16, no. 10. pp. 837-851.

Zimmerman, M. (2009). The business of giving: TOM's Shoes. Available online: <http://www.success.com/article/the-business-of-giving-toms-shoes> [Accessed 5 May 2016].