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The effect of extrinsic rewards on intrinsic motivation

- *An empirical study of aspiring investment bankers and their extraordinary drive*

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Abstract

- Title:* The effect of extrinsic rewards on intrinsic motivation: an empirical study of aspiring investment bankers and their extraordinary drive
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- Authors:* Afnan Al Khalifa and Andreas Källström
- Advisor:* Nadja Sörgärde
- Keywords:* motivation, identity work, extrinsic rewards, monetary compensation, investment banking
- Purpose:* The purpose of this thesis is to examine and increase the understanding of the role of extrinsic rewards on intrinsic motivation, as an explanation for the hard work put into pursuing the difficult career path of investment banking. We examine and increase the understanding of what drives students to push themselves to their utmost limits for a job.
- Methodology:* A qualitative study with semi-structured interviews.
- Theoretical perspectives:* The theoretical perspective used is identity work. A thorough presentation of traditional motivational theories and their divide between intrinsic and extrinsic motivation has also been done.
- Empirical foundation:* Seven interviews have been conducted with individual students working part-time at a university-affiliated organization preparing students to work within investment banking through various activities.
- Conclusions:* Our findings show that extrinsic rewards such as monetary compensation have a significant positive impact on intrinsic motivation. Furthermore, the difference between intrinsic and extrinsic motivation is explained to be more of a grey zone than previously thought.

Sammanfattning

<i>Examensarbetets titel:</i>	The effect of extrinsic rewards on intrinsic motivation: an empirical study of aspiring investment bankers and their extraordinary drive
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<i>Ämne/kurs:</i>	FEKH49, Examensarbete i organisation på kandidatnivå, 15 högskolepoäng
<i>Författare:</i>	Afnan Al Khalifa och Andreas Källström
<i>Handledare:</i>	Nadja Sörgärde
<i>Fem nyckelord:</i>	motivation, identity work, belöningar, pengar, investment banking
<i>Syfte:</i>	Syftet med arbetet är att undersöka och öka förståelse för belöningars påverkan på inre motivation för studenter som söker sig till investment banking. Vi vill öka förståelse för individer som pressar sig själv till extrema mått för att få ett jobb inom detta yrke.
<i>Metod:</i>	En kvalitativ studie med semi-strukturerade intervjuer har genomförts.
<i>Teoretiska perspektiv:</i>	Det teoretiska perspektiv som använts är identity work. En djupgående undersökning av tidigare motivationsteorierna syn på uppdelningen mellan yttre och inre motivation har också gjorts.
<i>Empiri:</i>	Intervjuer med sju stycken individer på en organisation där många studenter som ämnar att jobba inom investment banking jobbar extra för att bättre på sitt CV och knyta kontakter har utgjort grunden för arbetets empiri.
<i>Resultat:</i>	Empirin visar att belöningar som traditionellt sätt tillskrivits yttre motivation har en betydande positiv påverkan på inre motivation. Vidare bevisas att det skillnaden mellan inre och yttre motivation är mer av en gråzon än tidigare beskrivet.

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We hope the readers of this thesis will find it purposeful.

Afnan M. Al Khalifa

Lund, May 2019

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1. Introduction

1.1 Background

This is a thesis about motivation. Over the years as students at Lund University, we have seen a few particular fellow classmates and colleagues putting themselves under immense pressure. Students have stated to us that apart from trying to achieve top grades at university, they are putting in countless hours on research, non-paying part-time jobs, engaging in extracurricular activities and student associations, studying double degrees and spending 35 hours per week outside of school in interview preparation. These efforts are in the pursuit of a job where they will be expected to work up to an average of 100 hours per week. This is investment banking.

Our interviewees disclosed the entailment of working for an investment bank; 100 hour work weeks, sleep deprivation, stress, pressure to perform, loss of social life outside the workplace, and decrement of health. Although most interns make it out alive, sources such as [The Telegraph](#) (2013), [HuffPost](#) (2014) and [efinancials](#) (2018), shook the business world after reporting of two, otherwise healthy, young interns at investment banks who literally worked themselves to death. Headline: “*Bank intern who died after 'working for 72 hours' felt pressure to excel*” ([The Telegraph](#), 2013).

Research within motivation is often focused on how to motivate personnel into working harder and prioritising the gains of the organisation (Eriksson-Zetterquist, Müllern, and Styhre, 2011; Stajkovic & Luthans, 2003). We are doing the opposite. In this thesis we wish to understand *why* students are working so hard. We are examining students to understand their preposterous drive and motivation behind working for an investment bank.

1.2 Problematization

When introducing the topic of this thesis to people working within the banking industry, one comment was “*that’s going to be a very short thesis... the answer is one word - money*”. Another finance professional said: “*Hah! That’s easy. It’s money!*” But is this really the answer? Investment banking is indeed one of the highest paying industries. A newly graduated analyst can expect to be remunerated \$100 000 during their first year ([Corporate Finance Institute](#), n.d.;

[Glassdoor](#), n.d.), and salaries of Hedge Fund Managers go up in the billions (USD) ([Bloomberg](#), 2019). However, as pointed out by one of our interviewees for this thesis, if it came down to the hours worked, a Swede would find working in a supermarket more worthwhile.

Perhaps it is the obscene bonuses of finance and banking professionals that, in combination with the secrecy of their world, is the reason for their portrayal in popular books and films such as *Wall Street*, *The Wolf of Wall Street* and *American Psycho* - as greedy, inconsiderate, money-hungry sociopaths who would kill to earn their next bonus. A saying even goes: “*A banker is a fellow who lends you his umbrella when the sun is shining but wants it back the minute it begins to rain*”¹. This image of bankers has clearly been adopted by the public, as exemplified in renowned papers such as [The Economist](#), [NY Times](#), [SCMP](#), or discussion forums such as [The Wall Street Oasis](#) and [ECNMY](#). We believe there is more to it than just money.

In a quest to develop a definitive theory of human motivation, Abraham Maslow, perhaps the most “*iconic figure in the history of management ideas*” (Cooke, Mills and Kelley, 2005) advanced in 1943 his today very well-known theory on motivation named the “Hierarchy of needs”. As the most famous symbol of management studies (Bridgman, Cummings, and Ballard, 2019), many arguments for motivation have built upon the hierarchy of needs, as well as the separation made between extrinsic and intrinsic in motivation (Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011). Maslow (1943) referred to the most basic needs as extrinsic motivation, while the most ‘exclusive’ needs were categorized as intrinsic motivation. The common line in management research, up until the 1990s, has been to view extrinsic and intrinsic motivation as two separate things.

75 years later, Maslow’s hierarchy of needs has many times been criticized for its simplistic and ‘mechanic’ way of viewing human beings (Alvesson & Kärreman, 2012). In the last thirty years, researchers within the field have recognized the complexity of human motivation, and increasingly paid attention to the interplay between intrinsic and extrinsic motivational factors (Hennessey & Amabile, 2010). Research, however, is still scarce (Gerhart & Fang, 2015; Rynes,

¹ According to online forum [Quote Investigator](#), the quote has been accredited to Mark Twain, although this has not been verified.

Gerhart & Parks, 2005, 2005; Gupta & Shaw 2014; Kuvaas, Buch, Weibel, Dysvik & Nerstad, 2017). According to Jenkins, Mitra, Gupta, & Shaw (1998 in Gupta & Shaw, 2014), a meta-analysis of 40 years of research on financial incentives and performance yielded only 39 studies.

Furthermore, the little attention given to the role of extrinsic rewards on work motivation has mainly had the focus of raising caution about the potential negative effect that extrinsic rewards may have on intrinsic motivation (Cameron, 2001; Gerhart & Fang, 2015; Gupta & Shaw, 2014; Hennessey & Amabile, 2010). Critical assessments of the theory and evidence that lays as basis for these arguments, however, have shown that support for the claims is, in fact, lacking (Cameron, 2001; Cameron & Pierce, 1994, Gerhart & Fang, 2015).

Extrinsic rewards have now not only been confirmed not have a negative impact on intrinsic motivation or performance, but sometimes even to enhance intrinsic motivation (Amabile, 1993, in Hennessey & Amabile, 2010; Hennessey & Amabile, 2010). Recent literature recognizes that complexity has been added to the subject, including the fact of an interplay between intrinsic and extrinsic motivational factors (Gerhart & Fang, 2015; Hennessey & Amabile, 2010; Kuvaas et al., 2017). Argumentation, however, is built solely on theoretical examination.

While recent research debates *that* there is an interplay between extrinsic rewards and intrinsic motivation, our study will contribute to a view of *how* this is played out. In this thesis, we will conduct an empirical analysis, based on in-depth interviews, with the aim of providing a practical perspective to the latest arguments by the above-named authors (Gerhart & Fang, 2015; Hennessey & Amabile, 2010). With real-life examples from students and young professionals with experience from investment banking, we will show how extrinsic rewards may, in fact, positively affect intrinsic work motivation *in practice*.

1.3 Purpose and Research question

The purpose of this thesis is to investigate and demonstrate how extrinsic rewards can positively influence intrinsic motivation, as an explanation for the hard work put into pursuing the onerous career path of investment banking. Through in-depth interviews, we wish to examine and

increase the understanding of what drives individuals to push themselves to their utmost limits for a job.

In order to fulfil our purpose, we appreciated the necessity of building rapport with, and comprehending the worldview of our interviewees. Hence, we formulated a broad research question that would allow for a semi-structured interview process, and the ability for our interviewees to express themselves more freely. Thus, the research question was formulated as follows:

- *What motivates the drive behind a career in investment banking?*

1.4 Thesis overview

This thesis is structured as follows. The thesis consists of six sections. Section two starts with an introduction to the topic of motivation, followed by a review of previous research done within the field of motivational research, and the relationship between extrinsic and intrinsic motivation, specifically. We will then present the theoretical perspective that will be used when analysing our empirical findings. In section three we discuss our method for collecting empirical data through interviews, as well as credibility of the thesis. Section four consists of selected quotes from the empirical data, combined with an analysis of these. This section is followed by a discussion, where we will apply our chosen theoretical perspective to our empirical findings, as well as comparing the empiricism to previous theories. The thesis is concluded with a discussion of the results of the study as well as suggestions for future areas of research.

2. Theoretical framework

2.1 Introduction

The literature on motivation has grown since the 1920s when the Hawthorne Study motivated spurred researchers to investigate how to motivate employees to work more efficiently (Eriksson-Zetterquist et al., 2011). The view of motivation in working life then alternated from the strictly pecuniary approach as proposed by Taylorism (Taylor, 1911), towards an increasingly behavioural perspective. Motivation theory can be seen as classified into two different elements; content-oriented and process-oriented (Eriksson-Zetterquist et al., 2011), or as described by Woodworth (1918): *intrinsic* and *extrinsic* motivation. The biggest advocates in the field have developed theories examining the fundamentals of human *needs* (Maslow, 1943; Herzberg, 1966 cited in Eriksson-Zetterquist et al. 2011; McGregor, 1957, 1960 cited in Eriksson-Zetterquist et al., 2011). These theories have been put in direct contrast to process-oriented or extrinsic motivation theories, such as the work of Vroom (1964, cited in Eriksson-Zetterquist et al. 2011; Alvesson & Kärreman, 2012). As one of the most famous symbols of management studies (Bridgman et al., 2019), many arguments for motivation have built upon the Hierarchy of Needs (Maslow, 1943), as well as its division of extrinsic and intrinsic motivation (Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al. 2011). Although scarce, research since the 1990s has recognized the previously neglected interplay between intrinsic and extrinsic motivational factors (Gerhart & Fang, 2015; Hennessey & Amabile, 2010). This research, however, has mainly been directed towards illustrating a negative correlation between the two. Support for the facts however, have shown to be inadequate (Cameron, 2001; Gerhart & Fang, 2015; Gupta & Shaw, 2014; Hennessey & Amabile, 2010). Gerhart and Fang (2015) add to this that the specific role of *compensation* has received little attention in work motivation literature. More recent literature (Gerhart & Fang, 2015; Hennessey & Amabile, 2010) recognizes positive effects on motivation by cause of extrinsic motivation. Arguments, however, are built solely on a theoretical examination.

In this literature review we will assess previous literature with the aim of educating the reader on the subject and highlighting the propounded deficiencies in regards to the findings of our study.

We will then introduce and argue for the chosen theoretical perspective for analysis of our empirical data.

2.2 The division of extrinsic and intrinsic motivation

In this section we will demonstrate how motivation theory has been classified into two different elements; *intrinsic* and *extrinsic* motivation (Eriksson-Zetterquist et al., 2011; Kuvaas et al., 2017; Woodworth, 1918). Two of the most known advocates in the field are psychologists Abraham H. Maslow and Frederick Herzberg. Maslow (1943; 1954) is often credited with laying the groundwork of motivation theory (Eriksson-Zetterquist et al., 2011). In order to comprehend the dissociation that has been made between extrinsic and intrinsic motivation, one must first understand the difference between the two, as well as the basis of the two fundamental theories to management and motivational theory in general (Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011).

Understanding Intrinsic and Extrinsic motivation

Extrinsic motivation accentuates an individual's desire to perform as a way of achieving rewards or avoiding punishment (Alvesson & Kärreman, 2012; Locke and Schattke, 2018; Van Eerde & Thierry, 1996). The extrinsic perspective of motivation is very much a keystone to the work of Victor Vroom and his expectancy theory (Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011; Rynes et al., 2005; Steel and König, 2006). Extrinsic motivation theories such as Vroom's expectancy theory look at outside-variables expected to influence employee behavior (Eriksson-Zetterquist et al., 2011).

Similarly to the Hierarchy of Needs, expectancy theory is a fundamental element in explaining motivation (Steel and König, 2006), and describes a person's motivation as a function of their expectancy of the outcome of a goal, as well as the probability of achievement (Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011; Van Eerde & Thierry, 1996). As an example, this would indicate that a person looking to get a raise would be increasingly inclined to make an effort depending on how much they value the raise in question, as well as the probability that the efforts would, in fact, lead to a raise. The less the goal is valued by the individual, and the less

the individual believes that effort made will lead to achieving the goal, the lesser the motivational strength to perform (Alvesson & Kärreman, 2012).

Expectancy theory differs from Maslow and other researchers in the field of motivation in the understanding of motivation due to *expectations*, rather than *needs*. According to Alvesson and Kärreman (2012), this allows for a more multifaceted image of the individual and their possibility to calculate and prioritise, rather than the hierarchy of needs which has many times been criticised for its “conditioned machinery-view”.

Intrinsic motivation, on the other hand, is described as humanistic as it is oriented toward the individual, their own personal needs and drive (Deci, Connell & Ryan, 1989; Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011). Amabile et al. (1994, cited in Hennessey and Amabile 2010) define intrinsic motivation as “*the drive to engage in work out of interest, enjoyment, and personal challenge.*” (p. 577). As Maslow and Herzberg are considered the most influential researchers of this field, the perspective of intrinsic motivation will be better understood and further explained under adequate subheadings.

Maslow’s Hierarchy of Needs

Maslow (1943) developed one of the most recognized theories of human motivation (Alvesson & Kärreman, 2012; Bridgman et al., 2019; Cooke et al., 2005; Eriksson-Zetterquist et al., 2011). According to Maslow, human motivation stems from an inherent drive to fulfil needs. His theory divides the needs of a human being, hierarchically ranked, into five stages. From primary *physiological needs* to *safety needs*, the need for love and affection, i.e. *social needs*, the need for *self-esteem* and finally the need for *self-actualization*, as the last and “most exclusive” need. The five different levels form the hierarchy of needs, as illustrated further below. Maslow argued that humans are motivated to satisfy each level as they progress up the pyramid; meaning that one need is inherently more valuable than the other and must be fulfilled before another, less valuable need can be fulfilled.

The physiological needs are described by Maslow (1943) as the starting point for motivation and include satisfying hunger, quenching thirst and sleeping. When physiological needs are satisfied,

the individual will invariably aspire to satisfy “higher” needs (Maslow, 1943). The second set of needs Maslow names *the safety needs*, which only emerge after the physiological needs have been well satisfied. The safety needs include alleviation from illness and pain, outbursts of rage or punishments, but also the desire to have a full-time job, owning a savings account, etcetera. Once these needs have been satisfied, *the social needs* emerge, comprising affection, love, and social belongingness.

Below is an illustration of the Hierarchy of Needs, which shows how Maslow’s (1943) description of the three lower needs fit into Locke and Schattke’s (2018) definition of extrinsic motivation. It is not until these needs have been satisfied, that Maslow continues to describe needs that are aligned with the definition of intrinsic motivation.

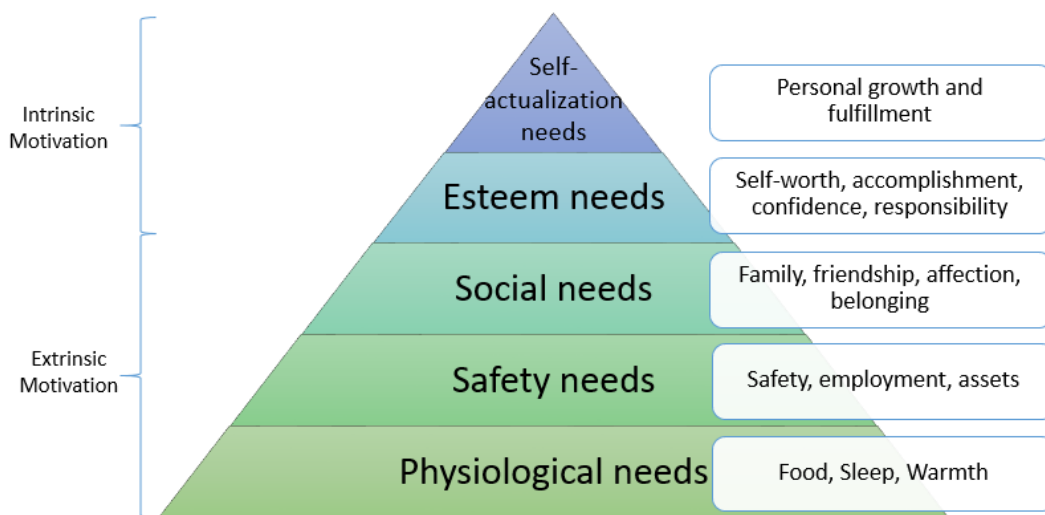


Figure 1: Maslow’s Hierarchy of Needs

When the extrinsically motivated needs have been satisfied, the individual will strive to satisfy *the esteem needs* (Maslow, 1943). These needs consist of the sense of achievement, the desire for strength, adequacy, confidence, respect from others, freedom and independence. Ultimately, Maslow argued that even when the esteem needs are satisfied, most individuals will eventually feel restlessness and discontent, unless an individual is doing exactly what he is fitted for: “*A musician must make music, an artist must paint, a poet must write, if he is to be ultimately happy*” (Maslow, 1943, p. 382). Maslow named this *the need for self-actualization*. Thus, defining the

need for esteem as being good at what one does, whereas the need for self-actualization implies doing, and thriving at what one was *made to do* (Maslow, 1943).

With this description, it is easy to see how Maslow's five needs can easily be parted into two categories according to the definition of extrinsic and intrinsic motivation; one set of needs strives to fulfil the personal needs and desires of an individual, while the other category aims at achieving future value or gaining something from their surroundings.

Herzberg's Two-Factor Theory

Maslow's theory was further developed with the *two-factor model*, which has also become a classic within intrinsic motivation and motivational psychology (Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011). The two-factor model is aligned with the hierarchy of needs in the way that the model divides extrinsic motivation from intrinsic motivation. The motivational factors, as described by Herzberg (in Alvesson & Kärreman, 2012; Eriksson-Zetterquist et al., 2011) correspond with the two highest needs in the hierarchy, while the so called *hygiene factors* can be compared with the lower needs.

Herzberg separates *hygiene factors* from *motivational factors* by naming them '*dissatisfiers*' versus '*satisfiers*' (Alvesson & Kärreman, 2012; Herzberg, 1966 in Eriksson-Zetterquist et al., 2011). Herzberg argued that while hygiene factors (such as working conditions and compensation), or rather the lack of them, may cause dissatisfaction with employees, they will not cause satisfaction or act as a source of motivation (Alvesson & Kärreman, 2012).

Satisfiers include performance, recognition and career advancement. The lack of satisfiers would not necessarily imply dissatisfaction but may work as motivational factors, generate satisfaction, and induce intrinsic motivation (Alvesson & Kärreman, 2012; Herzberg, 1966 in Eriksson-Zetterquist et al., 2011). This would mean that while, for example, a decent workspace is not a source of satisfaction, the lack of it may cause dissatisfaction. As an example, Herzberg (1966 in Eriksson-Zetterquist et al., 2011) argues that work conditions changing in a workplace will not induce self-growth. Only motivational factors have the ability to do so. In the opposite manner, an employee could find satisfaction and motivation in success, recognition or personal

development. However, a lack of these factors do not necessarily implicate dissatisfaction (Alvesson & Kärreman, 2012).

The division

As the two above named theories are considered to have laid the groundwork for motivational theory, they have inspired many researchers thereafter, and many arguments for motivation have built upon these two pillars (Alvesson & Kärreman, 2012; Bridgman et al., 2019; Cooke et al., 2005; Eriksson-Zetterquist et al., 2011). This includes the division between intrinsic and extrinsic.

Both Alvesson & Kärreman (2012) and Kuvaas et al. (2017) are clear examples of this. While Kuvaas et al. (2017) initiate their article by advising that “*organizations should address intrinsic and extrinsic motivations as separate motives*” (p. 244), Alvesson & Kärreman, 70 years after Maslow (1943), illustrate how extrinsic incentives and intrinsic motivation have been, and are still regarded as two completely separate elements (p. 371):

Extrinsic incentives	Intrinsic motivation	Interactive motivation
Salary	Development, learning	Reciprocity
Promotion/Career	Social connection	Norms
Partnership	Enjoyment at work	Culture
		Identity

Figure 2: Table 12.1 from Alvesson & Kärreman (2012, p. 371), recreated.

2.3 Extrinsic rewards as negative for motivation

Not until the 1990’s have we seen researchers paying increased attention to the interplay between extrinsic rewards and intrinsic motivation (Gerhart & Fang, 2015; Hennessey & Amabile, 2010). Research, however, is still scarce, especially so in relation to the importance of the subject (Gerhart & Fang, 2015; Rynes et al., 2005; Gupta & Shaw 2014; Kuvaas et al., 2017). As highlighted by Gerhart & Fang (2015): “*The role of compensation or extrinsic rewards, including pay for performance (PFP), has received relatively little attention in the organizational behavior/psychology literature on work motivation.*” (p. 489). As well as “*Given the importance*

of pay and performance to employers and employees as well as the potential for well-designed PFP systems to improve performance, one would think that research examining PFP would be plentiful in psychology. However, this has not been the case, particularly in recent years.” (Rynes et al., 2005, p. 572)

Furthermore, the little attention given to the role of extrinsic rewards on work motivation has mainly had the focus of raising caution about the potential negative effect that extrinsic rewards may have on intrinsic motivation (Cameron, 2001; Gerhart & Fang, 2015; Gupta & Shaw, 2014; Hennessey & Amabile, 2010). Lepper, Greene, and Nisbett (1973), as well as Lepper and Greene (1974), laid basis for the argument of extrinsic rewards as a negative influence on intrinsic motivations in a study of school children. Their study may have paved the way for the idea that not only was extrinsic rewards somehow less “noble” (Maslow 1943; Herzberg, 1966 cited in Eriksson-Zetterquist et al. 2011), but that they could have a negative impact on intrinsic motivation. The argument has clearly persisted. Deci, Koestner, & Ryan (1999) who conducted a meta-analysis of 128 studies examining the effects of extrinsic rewards on intrinsic motivation concluded that there was a negative correlation between the two. 18 years later, Kuvaas et al. (2017) and many more have come to the same conclusion.

This, however, has shown to be incorrect. Extrinsic rewards do not equate to an unfavourable effect on intrinsic motivation (Cameron & Pierce, 1994; Cameron, 2001; Gerhart & Fang, 2015; Hennessey & Amabile, 2010). Cameron & Pierce (1994) conducted a meta-analysis of 96 experimental studies, arriving to the conclusion that rewards do not decrease intrinsic motivation. As the meta-analysis by Deci et al., (1999) was published, Cameron (2001) conducted an assessment of this and found that support for the arguments are limited or inadequate. 20 years later Gerhart & Fang (2015) too conduct a critical assessment of the theory and evidence that lays as basis for the arguments of extrinsic factors as “hollowers” of intrinsic motivation. They, too, conclude that support for the claims is, in fact, lacking.

2.4 The interplay between extrinsic rewards and intrinsic motivation

Since investigations of the effects of extrinsic constraints began, approximately 30 years ago, the landscape has changed: *“most researchers [...] have come to appreciate the many complexities*

of both motivational orientation and extrinsic motivators, particularly expected reward” (Hennessey & Amabile, 2010, p. 581). The previous perception of extrinsic motivators as a preclusion of intrinsic motivation has been supplemented by a model which does in point of fact recognize that: *“the expectation of reward can sometimes increase levels of extrinsic motivation without having any negative impact on intrinsic motivation or performance”* (Hennessey & Amabile, 2010, p. 581). Furthermore: *“Rewards can actually enhance intrinsic motivation and creativity when they confirm competence, provide useful information in a supportive way, or enable people to do something that they were already intrinsically motivated to do.”* (Amabile, 1993, in Hennessey & Amabile, 2010, p. 581). These assertions have been reinforced several times (Cameron, 2001; Cameron & Pierce, 1994; Kuvaas et al., 2017).

In recent years, complexity has been added to the subject of motivation. This includes the fact of an interplay between intrinsic and extrinsic motivational factors (Hennessey & Amabile, 2010; Gerhart & Fang, 2015). Motivational theory and expectancy theory, in particular, often focuses on salary. However, it is important to take into account the symbolic power of a salary; the affirmational value a salary may have to an employee, and salary as a symbol of success or fairness (Alvesson & Kärreman, 2012) - motives which in motivational theory are considered intrinsic. According to Alvesson and Kärreman (2012), salary or bonus used as a token of appreciation and/or value may have a significance on the self-esteem of the employee. This is an example of how an extrinsic reward can positively (or negatively) affect intrinsic motivation (as defined by Maslow, 1943; 1954) within individuals.

Similarly, Locke and Schattke (2018) suggest that while money is usually the most common reward used to explain extrinsic motivation, one must not view money per se as the motivating factor, but simply as the means to attain other rewards. Rewards could be material or immaterial (Locke and Schattke, 2018). Immaterial rewards, such as autonomy, independence, early retirement or supporting loved ones can be a way of achieving self-actualization as described by Maslow (1954), thus, another example of how extrinsic rewards could influence intrinsic motivation positively.

To summarise, research within motivational theory has gone from portraying a clear distinction between intrinsic and extrinsic motivational factors, to accepting an interaction between the two. The interaction, however, has mostly been depicted as negatively correlated, a principle that, by many researchers, has later been proven to be flawed. Views appear to be contentious, although many academics argue for, and have proved that human motivation is not a subject as simple as to be divided into two, thus claiming extrinsic rewards may in fact generate positive effects on intrinsic motivation.

2.5 The concept of identity theory

As previously described, motivation theory has been divided into two groups; intrinsic and extrinsic. In more recent research, however, we see argumentation for expansion of this dichotomy with further subgroups. Alvesson and Kärreman (2012), for example, arrange motivation into three categories: intrinsic motivation, extrinsic motivation, and *interactive motivation*. Following is a brief introduction to interactive motivation and its three keystones, pursued by a deeper dive into the concept of identity - the concept which will be used when analysing our empirical findings - and a presentation of theories relevant to our study.

Interactive motivation

The interactive perspective emphasises the social dimension of motivation and can be seen as overlapping with the concept of intrinsic motivation. It assesses the individual as part of a social group or context, highlighting questions such as values, ideals, morals, culture, and identity. (Alvesson, 2000a in Alvesson & Kärreman, 2012). When speaking of interactive motivation, one usually looks at the three subgroups; *norms*, *reciprocity* and *identity* (Alvesson & Kärreman, 2012). These will be elaborated below.

Norms

Norms usually represent a set of standards for how to behave in a social surrounding, be it in a corporate setting or in a social group (Alvesson & Kärreman, 2012). The authors argue for a connection between norms and extrinsic conditions, claiming that extrinsic conditions contribute to the norms of an organisation. As a case in point, the authors mention the career path of an organisation. The constant incentive of getting promoted to the next step in the career path could

spark the will among employees to work hard, which might set the standard (create a norm) for how one should work in the organisation (i.e. hard). Norms, i.e. the desire to feel ‘normal’ and live up to the standards of one’s surroundings, are an important driving force for human beings and can therefore incentivise them to act in certain ways. For example, an individual who is not necessarily interested in following a certain career path might find themselves working towards a career, simply because they are adhering to the norm of working hard because everyone else is doing so (Alvesson & Kärreman, 2012).

Reciprocity

This aspect of interactive motivation discusses the universal norm of ‘repaying’ a person who has given or made a positive effort towards oneself. Reciprocity has a moral dimension to it and alludes to the norm of what an individual feels *should* be done. It is a question of loyalty and the will of a human being to be there for someone (Alvesson & Kärreman, 2012). As exemplified by Alvesson & Kärreman (2012), a high salary, by and large, leads to a will to prove oneself worthy of it, which may cause an employee transcend over what is contracted. The more advantages an employee is presented with, the bigger the will for quid pro quo. An employee with many advantages will therefore often be found working longer days. According to the authors, reciprocity is most likely a large factor in making employees ‘go the extra mile’ or putting in an extra effort by e.g. staying late at work. A long-term view and reciprocity between employees and the organisation fortifies the tendency for the employee to make an extra effort for the company, and may thus have a bigger effect than monetary compensation on its own (Alvesson & Kärreman, 2012).

Identity

Identity represents the third leg of interactive motivation and discusses acquired self-perception. In organisations, identities are more reliant on social than individual aspects. This refers to categorising oneself as part of a group or category, e.g. sex, company, unit, profession, nationality or age (Ashforth & Mael, 1989; Turner, 1984 in Alvesson & Kärreman, 2012). The categorising unifies the question “who am I”, with the question of who “we” are, and “how should I (we) behave”- questions that lay the ground for the understanding of what actions are acceptable, fitting and natural in context (Alvesson & Kärreman, 2012). According to Mitchell et al. (1986,

in Alvesson & Kärreman, 2012), decisions made by individuals are normally driven by the logic found within one's image of self. This image is often related to one's identity as an employee, as professional and corporate culture are great sources of identity for the people within it (especially so when there is a clear organisational identity). To be or to perceive oneself as a certain type of person implies a certain course of action in different settings. These questions are answered by the construction of an identity. In turn, the perceived identity postulates a subjectivity which will steer a person's thoughts, emotions, and values in a certain direction. (Alvesson & Kärreman, 2012). It is, however, important to note that this does not necessarily entail adapting to the norms or values of the social group (Alvesson & Kärreman, 2012). Social identity simply refers to a categorising of self which is used as a starting point for thinking and acting. As proven by Turner (1984 in Alvesson & Kärreman, 2012), a person adopting a social identity does not necessarily internalise the characteristic values, ideas or emotions of that group.

Foote's baseball analogy

Nelson Foote (1951) was the first researcher to directly link identity with motivation, although he stopped short of asserting how individuals acquire their identities, only speculating that the process of building identities was a matter of experience. To exemplify, he borrowed and expanded upon Mead's (1934, cited in Foote 1951) baseball game by implying that if you asked 18 random people to play baseball, they would have no identity, and no one would care what side they were on - hence, little incentive to follow the rules of the game, or to play the game to begin with. Foote (1951) argued that the easiest way to get people, lacking the identity of a team, to play a game accordingly is through offering a reward unrelated to the game itself. He demonstrates this by comparing his fictional baseball game to the World Series finals of 1949. Even though it is the same sport and rules, the difference in gameplay and effort is immense. The main reason for the difference according to Foote (1951), is the content that has been given to the previously lacking identity between teams and players; not content in terms of needs, energy, tensions, or drives, but of identity (Foote, 1951).

Role-identity theory

McCall and Simmons (1966, cited in Owens, Robinson & Smith-Lovin 2010) developed role-identity theory, which argues that when individuals are put in different situations, they construct

characters for themselves, which then guide the individual's everyday lives. According to the authors, all roles created are organized in a hierarchy, based on how important the role is relative to the individual's ideal self. The structuring is based on questions such as dedication to the role-identity and how much of their self-esteem and self-worth is bound to the particular roles successful activation (McCall and Simmons 1966, cited in Owens et al., 2010).

Ibarra's three-phase identity theory

Ibarra (1999) did a qualitative study showing that many young new employees at investment banking firms and consultants will go through a three-phase process of acclimatizing themselves to their new work environment, centred around the concept of "provisional selves". The first phase is the *observation phase*; where new employees closely monitor role models at the firm with the aim of identifying the strengths and attributes that make them successful, and trying to understand what makes these people excel at their job. The second phase, Ibarra names the *experimenting phase*. This phase entails the new employee's creation of their "provisional self". The provisional self is a temporary identity with which the employee can apply different traits learnt through observation of their role models. Lastly, Ibarra introduces the *evaluation phase*. In this phase, the experimentations with the traits adopted using the provisional self are weighted against internal standards and external feedback. Ultimately, a new identity, which could be either far from or very close to the "original" identity of the individual is formed (Ibarra, 1999).

The hard-worker-identity

A highlighted type of identity is one that induces the meaning that one should work harder than the average person. Working hard and long hours is highly correlated with identity work, as it contributes to the work of confirming one's self-image. This is highlighted in the work of Deetz (1995 in Alvesson & Kärreman, 2012). For example, Deetz saw a pattern of data scientists accepting more difficult working conditions just by the change of their titles (Alvesson & Kärreman, 2012). The change of identity led the scientists to willingly accept, among other things, longer working hours. Alvesson & Kärreman (2012) explain this as the outcome of the understanding of one's identity, e.g. as a high-paid consultant, manager etcetera, which can be seen a type of person who works hard. Thus indicating that the motivation to work comes from one's image of self.

Identity work

Originally propagated by Snow and Anderson (1987), Alvesson and Sveningsson (2003) popularised the concept of identity work against the backdrop of what they considered to be a lacking in rich and descriptive empirical observations of managers and how they construct their identities on a personal level, particularly as it related to the field of qualitative research. Alvesson and Sveningsson (2003) write: “The concept [sic] *identity work* refers to people being engaged in forming, repairing, maintaining, strengthening or revising the constructions that are productive of a sense of coherence and distinctiveness.” (Alvesson & Sveningsson, 2003, p. 1164-1165). Most other contemporary authors have defined identity work in similar ways (Down & Reveley, 2009; Petriglieri & Petriglieri, 2010; Xing & Liu, 2016). Alvesson and Sveningsson (2003) maintained that identity work may either be constantly on-going in complex environments, or, that it, in a more stable environment, may only be visited upon every so often by the individual. Notwithstanding the consistency with which it may be employed, they contend that it demands at least a minimal amount of self-openness and self-doubt in the subject to be able to reflect on the identity(ies) they have and the identity(ies) they wish/are required to construct. The authors allege that identity is a struggle and that one individual is able to construct, maintain, and adjust multiple identities; in their paper, when discussing their studied subject’s role as cell² manager (which is mainly comprised of managing the buildings, gardens and finance of their sector (or “cell”)) the term “janitor role” is applied as an “anti-identity”, or “organizational disidentification” (Elsbach, 1999 cited in Alvesson & Sveningsson, 2003), both impeding the subject’s motivation and increasing the reluctance to work, whilst at the same time, the subject is able to take a more positive stance towards their identity as chair of a management group where they are able to (or at least believe that they are able to) work more with issues of local culture at the organisation (Alvesson & Sveningsson, 2003). This theoretical concept of identity work allows researchers to view the identities apparent in interview subjects as ever-changing and dependent on their respective situations, as results of a compromise between external pressure and internal aspirations. Therefore, in this thesis, we aim to use identity work when analysing the empirical material gathered for the purposes of creating depth in the analysis.

² The “cell” referred to in Alvesson & Sveningsson (2003) appears to be a work unit of about 1000 employees. The organization is global and there appears to be many cells worldwide. The studied subject is manager of one of these cells with 300 people working directly under them.

The far-reaching impact of identity and identity work on both the individual and collective level has in recent years been more accurately appreciated than previously (Brown, 2015). Through use of the lens of identity work, it is to our belief that we will be able to distinguish certain identities (and by extension attributes and traits) adapted by the interviewees because of either workplace demands (as it relates to deadlines, workload, etc.), or in the insistence of social expectations from co-workers and bosses alike, as well as their relation to the interviewees own internal desires and needs, which will help us create a deep analysis of their motivation to work within investment banking.

3. Methodology

This paper is made using a qualitative research method. There are many components to a qualitative research method that differs from the more traditional quantitative research method (Bryman and Bell, 2015), all of which (relevant to this thesis) will be explained in this section, along with a presentation of our method used to gather empirical material and finally a discussion on the credibility of our findings from a methodological standpoint as well as a short presentation of the limitations of our study.

3.1 Qualitative research method

In this thesis, we aim to fully explain how we have made our choices relating to the chosen research topic, as well as what other paths were considered, but ultimately opted out of.

3.1.1 Epistemological considerations

Epistemology is the philosophical discipline concerned with what can be considered knowledge. When studying the social world, this becomes a very important issue to mention as there is worry that the social world cannot be studied with the goal of achieving absolute truths in the same way that the natural sciences are (Bryman & Bell, 2015).

Bryman and Bell (2015) suggest that one of the defining factors of a qualitative research method is the researcher's epistemological position as an interpreter of events. This means that we, as researchers are not only interested in measuring what happens or how actors act in a sterile environment focused on replicability, but rather our job is to understand the social world where our actors normally operate through a thorough examination of how these same actors interpret their own world. In effect, our job as researchers is to work as arbiters between the world of investment banking as related to us by university students and the reader, sorting through empirical data to find what's interesting to our research question and bridging possible knowledge gaps.

3.1.2 Ontological considerations

Another differentiating aspect central to the qualitative research method is the ontological position as a constructionist, denoting a world view where interactions between individuals are considered both the result of and catalyst for new social properties rather than an objectivist worldview where social entities are considered as having an external reality to other social entities. To further elaborate on this point; as qualitative researchers, we will interpret and examine the empirical material gathered from the standpoint that people act in a certain way because of social norms, or that social values are created through interactions between individuals. We do not believe that the people interviewed, nor the social reality they describe to us through our gathering of empirical material, act according to unbreakable natural laws (Bryman and Bell, 2015).

3.1.3 Inductive view of theory

The final facet characterizing of the qualitative research method pivotal to this thesis detailed by Bryman and Bell (2015) is an inductive view of the relationship between theory and research, where the bulk of empirical material is gathered without any major consideration given to theory. As researchers, we first gathered the empirical material through our interviews and shorter ethnographic excursions and then developed theoretical frameworks based on the material gathered. This stands in stark contrast to the nature of quantitative research where the gathering of the empirical material is based on a theoretical framework from an already chosen theory.

3.2 Gathering empirical material

As previously stated, the two most prevalent ways of gathering data using a qualitative research method are through ethnography and interviews. We have chosen interviews as our primary approach to gather material, although some minor ethnographic outings were made as many of our interviews indicated that there was a certain “team spirit” at the organization which contributed to the motivation of our research objects and thusly related to our research topic.

These outings were made in the interest of furthering our own understanding of the general atmosphere and were not on the record.

3.2.1 Interviews

Using a qualitative research method, where the end goal of our gathering of empirical material is rich descriptions of people and events, the two main methods of interviewing are the *unstructured* and *semi-structured* interviews. Employing the unstructured interview method, researchers only prepare at best a few general topics to be discussed but then follows the conversation wherever the interviewee takes it (Bryman & Bell, 2015). This method of interviewing is advantageous only when trying to understand an organization or a culture. Since our research question was very focused on the underlying reasons for the motivation of the interviewees, we instead chose to make use of the semi-structured interview method. Here, we made use of an *interview guide* containing a vast array of questions on a few core topics related to our research question, but, as the name implies, this was a guide and not a strict form to be checked off question by question. Interviewees were never discouraged from going off on tangents (Bryman & Bell, 2015). As our interviews unfolded and we created a connection with our interviewees, we honed in on certain questions relevant to them individually and gave them the autonomy and space to talk about the things they, themselves wanted to talk about, and at times, disregarded questions in the interview guide as they did appear inapplicable to the interviewee in question. This was all done with the goal of gathering as rich and detailed data as possible. Furthermore, the interview guide was slightly altered and updated after each and every interview as, as we as researchers as well as interviewers gained a larger understanding of what topics could be interesting to broach.

The semi-structured interview is flexible. The goal being to gain insight into the world of the interviewee, and what is important to them, a certain amount of trust needs to be established between the researchers and the interviewee (Bryman & Bell, 2015). Therefore, as researchers, we initiated each interview with a disclaimer stating that both the interviewee and their organization were completely protected by anonymity, and that throughout the interview we never looked for a “right” or “wrong” answer, but that we were purely interested in their

perception of their world, as well as that any answer given would be considered by us to be the “right” answer. We also asked each interviewee if we were allowed to record the interview. Throughout the interview, we aimed to act reassuring and constantly invited the interviewees to expand on any thoughts they had pertaining to any topic, again with our goal being to gather as rich data as possible. Using the inductive view of data and theory as described earlier, throughout the period of gathering data, our view was that if we gather rich enough data, theory and topic would present themselves. We never wanted to force a particular theory or mind-set out of an interviewee. After each interview, we asked the interviewee not to share the interview questions with anyone, thus ensuring that the next interviewee would not come with prepared answers, as this could impact the spontaneity of the answers. Lastly, we asked each interviewee if they were available for shorter phone and/or email follow-up interviews as our research progressed, something that every interviewee accepted. “Using the qualitative research method no single interview stands alone. ‘It has meaning to the researcher only in terms of other interviews and observations.’” (Whyte, 1953 cited in Bryman & Bell, 2015).

3.2.2 Interviewees

Below follows a brief introductory list of the interviewees and the length of the respective interviews. The interviewees have aptly been given pseudonyms from the 1987 movie “Wall Street” (except for one that specifically requested to be named Patrick Bateman from the movie *American Psycho*) and the student-run organization will from here on out be referred to as *Gekko & Co.*. It should be noted that consideration has been given to match pseudonyms with genders of the interviewees (i.e. interviewees Darien Taylor and Carolyn Smith are females and all other interviewees are male. Do note that, perhaps as a sign of the overall male-dominated industry, only one female character (i.e. Darien Taylor) in the movie has a surname, and hence Carolyn will be given the surname Smith). While we would have liked to interview more women, they were quite scarce compared to male subject availability, which resulted in a 5-2 gender split.

<i>Name</i>	<i>Field of work</i>	<i>Studies /work life</i>	<i>Interview length</i>
Gordon Gekko	Equity research	Final semester Master's, starting full-time employment at [Nordic boutique investment bank]	1 hour 5 minutes
Bud Fox	M&A	Final semester Master's, starting full-time employment at [prestigious investment bank]	1 hour 20 minutes
Dan Fox	M&A	Final semester Bachelor's, starting full-time employment at [Nordic boutique investment bank]	1 hour 15 minutes
Patrick Bateman	Equity research	4th semester of BBA	1 hour 40 minutes
Darien Taylor	M&A	Starting Master's, part-time employee at [Nordic private-equity company]	1 hour
Carolyn Smith	M&A	4th semester of BBA	53 minutes
Lou Mannheim	M&A	Final semester Bachelor's, starting full-time employment at [prestigious investment bank]	1 hour 20 minutes

The interviewees sampled were chosen because of prior relationships with them.

3.2.3 The structure of the empirical analysis

We have chosen to divide our empirical findings into three different chapters; 4.1 monetary compensation to satisfy basic needs, 4.2 the symbolism of monetary compensation, and 4.3 the symbolism of monetary compensation through the lens of identity work. The term “monetary compensation”, rather than “extrinsic rewards”, is used as most of our interviewees chose to interpret “extrinsic rewards” as “money” throughout the interviews, however, we are confident that other extrinsic rewards will have very similar effects in different contexts and therefore urge the reader to keep in mind when reading our empirical evidence that most findings related specifically to monetary compensation are applicable to other extrinsic rewards, as long as the particular (or general) extrinsic reward fit the particular (or general) context.

The object of the first chapter is to establish that many of our interviewees did in some respects hold views of extrinsic rewards similar to traditional motivational theories (i.e. that of money to satisfy basic needs), which was important for us to help establish the idea that extrinsic rewards hold a complex role as it can be viewed by our research objects both as security (to buy food, clothing, etc.) ascribed by traditional authors, and at the same time, but in different contexts, hold a very different role, which is then expanded upon in our following chapters. The second chapter relates a more complex view of context money held by the interviewees where money, in different contexts, represents a far deeper motivational source than simply to secure food on the table. This chapter is used to further expand on the theoretical research done by Hennessey and Amabile (2010) and Gerhart and Fang (2015) by providing empirical evidence. The third and final chapter examines the material from the second chapter through the perspective of identity work developed by Snow and Anderson (1987) and expanded upon by Alvesson and Sveningsson (2003).

3.3 Credibility of the thesis

The most prevailing criticisms against the qualitative research method include the difficulty to replicate findings, the sample sizes being too small or in some ways too biased to warrant generalizations of the findings and a lack of transparency on the part of the researchers (Bryman & Bell, 2015). These criticisms and how they relate to this thesis will now be discussed as they relate to this thesis.

As stated earlier under 3.2.1 “Interviews”, during the process of gathering data we decided to continuously update our interview guide to better fit the direction we felt that the empirical material was taking us. We also stated that we allowed and even tried to embolden interviewees to go off on tangents and let *their* voices be heard in favour of any preconceived questions we had prepared. This heavily impacts the replicability of the thesis. If other researchers used the same questions we did on the same interview subjects they might get different answers. How we as researchers conducted ourselves during the interviews definitely impacted the answers we received. However, we want to stress that a difficulty to replicate findings is not a sign that the findings and conclusions should be considered inaccurate. When working with the qualitative research method, the importance lies not in replicability but in scrutinizing the conclusions drawn. Throughout the report, we have worked to be as transparent and open about our gathering of material as possible so that the reader themselves can decide on a case-by-case basis if they feel that we have made any incorrect assumptions based on the data gathered. It has been our goal that the reader will read our report and think “that’s what I think too!” As long as this is achieved, we consider replicability a second-tier issue.

Under 3.2.2 “Interviewees” we give a short but concise introduction of our sampling method, which was based mostly on personal contacts we knew prior to the study. We researchers encourage the reader to keep the sampled population in mind when reading the thesis. In the interests of achieving high confirmability, we worked hard to remove any influences of these prior relationships to the interviewed subjects. The reader should carefully consider all of the presented facts in the light of this issue and not simply take our word for it. We encourage the reader to scrutinize every decision we have made in relation to narrowing of the topic, and

question every conclusion we have drawn. With all of this being said, we suggest that prior contact with the interviewed subjects in many ways strengthen the credibility of our findings. Many of the questions asked and topics broached during the interviews could be viewed as sensitive, and our prior relationships with the interviewed subjects affirmed an already pre-existing trust between us. The impact this has had on the interviewees willingness to open up to us is debatable; on the one hand, one could argue that they have been more willing to open up and answer truthfully because of a mutual trust, but on the other hand, because of our prior acquaintance it could be argued that the interviewees have felt that their answers have not been completely covered by anonymity and therefore there has been some reluctance to fully open up. Ultimately, knowing the interviewed subjects might have decreased the generalizability in one way, but increased the transferability by providing for even richer and thicker³ description of the interviewed subject's world view.

One of the writers of this thesis has experience working in the field of investment banking, including an internship like many of the interviewees, and is therefore able to bring a true "closeness" to the empirical evidence gathered and the worldview of the interviewees, whereas the other researcher has had fairly limited exposure to this same trade. This researcher has therefore been able to contribute a more distant or "outsider" perspective on the gathered material, which has helped to deepen the understanding of the evidence from two very different angles. We believe that this helps to further strengthen the credibility of the thesis, as well as the fact that we have tried to get multiple interview objects to confirm assertions made by one, and whenever possible we have tried to relate this in the empirical findings.

In order to increase the dependability of the thesis (Bryman & Bell, 2015), we have submitted the report through various stages of its inception to both our supervisor and fellow students who have helped us during opposition seminars and more informal meetings as well in their work as auditors. During all of these meetings, we have provided all the relevant data to all parties involved.

³ Gertz (1973, cited in Bryman & Bell 2015) suggest that qualitative researcher should aim to produce rich narratives of a culture or organization, or what he calls "thick descriptions"

The final point we would like to touch upon is the issue of transparency. When using the qualitative research method the researchers are constantly forced to prioritize certain facts and topics over others based on what empirical data is found and frequently update our own view of the gathered material. We have tried to be as open as possible with our method of gathering material in the method section.

4. Empirical analysis

In this section, the empirical evidence collected through interviews will be presented and analysed. The analysis is divided into three parts; the first will present the interviewee's view of monetary compensation in a way that is presumably quite familiar to the reader; that of monetary compensation that in one way or another serves to satisfy the more basic needs of human beings and which is inherent to all humans. Secondly, we will present evidence of a deeper, symbolic meaning to monetary compensation for the interviewees. The third part of the analysis will consist of a viewing of this symbolic role monetary compensation through the perspective of identity work, in order to understand how monetary compensation may help the interviewees construct their identities.

In this section, interviewer questions and comments are written in *italic*. Interviewee answers are written in normal font.

4.1 Monetary compensation for satisfaction of basic needs

Perhaps one of the most interesting areas stumbled upon during the gathering of empirical material with these high-achievers is the somewhat lacklustre attitude towards monetary compensation some of the interviewees displayed in different ways. This is not to say that these individuals are completely apathetic to it, but rather that many seemed to be satisfied with enough money to cover the more basic needs, which would raise some questions around the general assumption that all bankers are only interested in money. Perhaps ironically, our interviewee named Gordon Gekko seemed to be the most indifferent to money:

Why is it worth it to give up the freedom of youth/student life; going out to parties and constantly meeting new people, having carefree fun, and instead work 80-100 hours a week?

I look at this in the form of two options: on the one hand, I can work with my dream job a majority of my (waking) time at the cost of not being able to spend as much time with my friends, and on the other hand I can work with

something that is *not* my dream and instead work for my salary and spend some more time with my friends, which is obviously very fun and all, but living my dream 80-100 hours a week at the expense of a slightly less social life is something I view as more valuable.

/.../

One thing you said was very interesting. You said that you'd rather work with this because the alternative would be to "work for my salary". So, in effect, you are working less for money by working with equity research in the finance industry.

Exactly. Everyone has to, to a certain degree, "sell out" for their job, and I hope that there are no people who would sell themselves solely for money. When I received my full-time offer, my salary wouldn't have changed my decision to accept at all. I would have accepted the offer for 20 000kr. (Gordon Gekko)

What drives our interviewee Gekko is not money, but some form of internal self-actualization. While the topic of monetary compensation was repeatedly broached by us interviewers, it seemed quite uninteresting to Gekko. This, however, is not a suggestion that money is inconsequential, nor that money cannot help securing a comfortable life, but it does imply that perhaps money and material wealth is not the end goal of all bankers. Throughout the interview with Gekko, he time and again asserted his interest and fascination with equity research and his desire to become the top equity researcher in Northern Europe simply because it would prove to himself that he knew what he was doing.

Another interviewee, Darien Taylor, expressed a very similar argument, only that she had a higher "floor" for her salary. However, the principle of "money is important up to a point, and then it's not important anymore" was still present. Taylor says:

There's a lot of money in finance. Is that something that motivates you?

Not really, or well, perhaps because it opens a lot of possibilities. I like travelling, but then you have a lot of jobs that pay quite well (that would still allow me to travel), so

for me, it wouldn't matter if I got a decent or high salary, as long as I worked with something that I really liked /.../ It doesn't matter to me if I make an upper-middle-class salary of about 40-50 000 kr⁴ or a very good salary of over 100 000 kr, that difference is not very big to me because you can still live a very good life making either of those sums. (Darien Taylor)

What makes this aspect interesting, as opposed to an open-and-shut case, is an excerpt from Lou Mannheim's interview. This is not because he was the only one making a similar argument (see, for instance, Dan Fox's citation p.45), but because he put it the clearest:

Would you have worked as hard if you were paid as much as an average job?

I definitely would have worked for half the salary I will be paid when I start my job at [prestigious investment bank] If I had to choose between my actual salary but working at [tier 2 investment bank] or half of my salary at [prestigious investment bank] I would choose [prestigious investment bank] every day of the week, because there's a lot more prestige working at [prestigious investment bank].

What if the trade as a whole had less money and prestige in it? If you made twice as much doing consulting as you did in banking, would you still do banking?

Yes, I would.

Why?

What makes finance fit for me is that it goes hand in hand with my personality; there are constantly new goals for me to chase, which works very well for me because I'm very obsessed with achieving goals; I like the pressure that I have to become an associate within two years, and another aspect is that I genuinely feel that the work is interesting (Lou Mannheim).

By comparing this with other quotes from Mannheim (which will be introduced under 4.2) where he expressly states that money is important to him there would appear to be a contradiction. However, it is not a matter of his opinion changing; it is the role money plays that is changed.

⁴ SEK, Swedish Krona

4.2 The symbolism of monetary compensation

Most of the individuals interviewed, including those that above expressed satisfaction in monetary compensation mainly to satisfy basic needs, in other parts of their interviews would also state that money was an important part as a means to a long-term goal or as a token of appreciation. This suggests that money has a more nuanced role than purely to satisfy basic needs and therefore requires further inquiry.

Under this section, the symbolic role money serves as a source of confirmation of the interviewed subjects' ability and hard work, as well as a means to an end, will be examined. Our interviewee Dan Fox, who at another point in the interview asserted that he genuinely enjoyed working with finance (as most of the interviewees did), explained that money still plays an important role:

If banking didn't pay what it does pay, do you think that you would've moved on to another job sector?

No, I still think that I would've wanted to work with finance anyhow, but I wouldn't put in as much effort. That's the thing about your salary; obviously, money is really, really nice, and there's great comfort in making a lot of money, but at the end of the day money is also a token of how much your employer values your effort and ability to contribute to the team and the company. One very appealing aspect of a high salary is that you get some sort of a receipt that you are performing on a high level. (Dan Fox)

Dan Fox's response would indicate that his salary is not only comprised of money, but also some form of appreciation from his boss. Perhaps money becomes a non-verbal and yet very loud form of communication for both him and other bankers. Your salary, and not the money itself, is a measuring stick where bankers are able to compare themselves both with others and with themselves. This is, of course, in line with the symbolic value money has, as discussed by Alvesson and Sveningsson (2012). In fact, most of the finance industry is built in such a way that you are constantly able to measure your performance in a high-paced environment; people working within equity research are able to almost instantaneously see the results of their job

performance when they recommend a stock and the stock either rises or falls; people working within M&A can work on multi-billion dollar-deals where they are met with one deadline after another working and a few missteps will get them thrown out of the team, as well as the very clear “up-or-out” promotion scheme (as alluded to by Mannheim, p. 40). Patrick Bateman explains further how the fast-moving stock exchange is able to trigger his competitive instinct:

(Talking about how the interviewee is very competitive when playing video games). Does finance somehow work as a substitute for video games? Do stocks trigger the same competitive instinct as Counter-Strike does?

Yes, there’s probably something to that. It goes back to the fact that I want to perform as best I can on an individual level, and when you’re investing you constantly get input on your work: the stock exchange is continually updating, financial reports are regularly being released so you can always see if you’ve made the correct decisions (Patrick Bateman).

Here we can see, perhaps in its clearest form, that to some of our interviewees’ money is not much more than black numbers on a white sheet of paper. What makes it so attractive to many of the people we interviewed is that money is, to them, the symbol of their worth, their ability and skill, and their hard work and long hours of preparation that money becomes. When they are working with something that satisfies this internal drive (whether that be affirmation needs or competitive instincts) the extrinsic reward of money seems to further facilitate their drive; the need for affirmation that they are doing a good job; they are on the right track, becomes invaluable to them as a guiding pillar. From our interviewee Carolyn Smith we learn that her view of money as this token of appreciation has been with her ever since her summer jobs in high school:

(Talking about summer jobs as a horse keeper when the interviewee was younger) What did money mean to you?

Money was important, or well, what I mean is that money was important because it was given to you because you earned it.

So it was more a sort of token of appreciation than anything else?

Exactly. Not in terms of “when I get my money, I will buy X, Y, and Z”, but rather the knowledge that “now that I’ve been working *if I want* to I can buy the things I want”. Money in and of itself is important to get what you want *by yourself* and not feel dependent on anyone else. Money buys independence, and I want to be independent (Carolyn Smith).

Also here we can see how money is important, not because of the goods it would purchase, but the symbol of “you are free to do as you wish” that it gave the interviewee when she was young, or as she best put it: it bought her independence. This is in line with Locke and Schattke’s (2018) argument that money should be viewed as a tool of exchange rather than having an inherent value. Not only to interviewees’ Smith, Bateman, and Dan Fox, but also to Mannheim (as shown below), money is a very important part of their self-assessment as it fuels their intrinsic motivation, it is a way for a higher authority to tell them that they are doing the right thing and that they are right to trust themselves. What our interviewees describe sounds like they feel that they are at many times making educated guesses and that the money they make from it is a symbol that they took the right guess. Mannheim’s comments on this topic echo what has been said by the other interviewees:

Is money a motivating factor for working with finance?

I think I’m driven more by the fact that money is a measuring stick of my performance; if I get a bigger bonus it’s because I’ve done a good job, rather than the money itself (Lou Mannheim).

On the question of money being an indicator of one’s own progress, such as in the form of a salary based on performance or an end-of-the-year bonus, money is very important because it is correlated to your own performance and put in relation to other people around you and by extension their performance, and suddenly money has become the one number indicating your performance in a sea of people with their own number indicating their performance. However, what this quote from Mannheim (as well as others indicated who seem to have similar ideas), the actual range of this number is not very important. The important aspect is that money does improve motivation as long as it is labelled with the correct role by the recipient.

Monetary compensation can also work as a means to an end. The empirical evidence gathered from our interviews would suggest that money can play an important role as a means to a long-term goal. The general pattern found throughout the interviews was the goal to open a private equity fund, as described by Mannheim⁵:

(Talking about what makes working 80-100 hours per week worth it)

Well, what I do now will lay the foundation for what I will become in 20 years.

And what is that?

My big end goal is that I someday want to own a private equity fund together with a few old friends. If I want to raise capital for that I need to have the right background for it in terms of a strong résumé (and good contacts), and [prestigious investment bank] can offer me that. While I was doing an internship at [boutique investment bank] a partner from the German office was over and he had lunch with us and one of our Swedish partners had been at [prestigious investment bank] earlier, we had an associate that had previously been at [prestigious investment bank], and I overheard the German saying something to the effect of: “Him, like all people at [prestigious investment bank], is extremely driven...”, so I feel that my job at [prestigious investment bank] will give me some sort of seal of approvement. (Lou Mannheim)

Some of our interviewees had other goals which were somewhat less related to the finance industry. Bud Fox explains:

What goals do you want to achieve?

My goal is to have a family and a few kids and hopefully give them a good life. I guess that’s my only goal, really. At the same time I want to live a comfortable life myself, but that goes hand in hand with giving my family a comfortable life because if I don’t live a good life myself I won’t be able to give them the life they deserve.

⁵ Interviewees Gekko, Bateman and Dan Fox (not quoted here) expressed almost identical long-term goals.

So, what is a good and comfortable life?

Being as stable and secure in myself that I can give my future wife and children the life they deserve; security and stability, and giving them the space and resources to realize their own selves, and to be able to give them this I need to reach a point in my life where I feel comfortable with myself. I believe that my career will help me achieve this confidence, especially when I've worked a few decades and I've found what I actually want to do. (Bud Fox)

Contrary to the popular opinion that all bankers seek is money and power, Bud Fox has goals that stand in stark contrast with a clear focus on family and giving his future family the potential and ability to realize themselves, which is very much in line with the older and very masculine identity that was common throughout the post-war era of both Europe and the U.S. where it was the man's role in the house to make money for the benefit of his family. Bud believes that he himself will achieve some form of fulfilment through helping his family. This motive, so distant from the extrinsic material motivation so often cited in both popular culture and is found in the business's jargon, seems out of place, but is it really? Interviewees Taylor and Smith (not cited here) both expressed long-term goals to in the one case to own horses and on the other to make a positive impact on the world. One would expect that there are other, more certain ways to own horses and make a positive impact on the world than to work with investment banking for 100 hours per week just for the money.

4.3 The symbolism of monetary compensation through the lens of identity work

This section of the analysis will discuss the empirical evidence already presented, as well as provide more quotes from the interviews, through the lens of identity work. The environment where you are constantly pushed to your limits seems less fitting to those that value the fruits of labour, and more fitting to those who value the labour itself, which indicates that the interview subjects acquire more than just extrinsic rewards from their work; they view their work as part of their identity. This makes identity work an excellent tool in discerning much of their motivations as it will help illuminate their ambitions as a way for them to express themselves.

Under 4.2 certain quotes indicated that investment banking is a good trade for people who view themselves as high-performers because you are constantly evaluated on your effort and performance. Dan Fox (p. 37) claimed that a high salary was, in his eyes, equivalent to a receipt showing that he is performing on a high level and that this was important to him. This shows clear identity work where Dan Fox has linked his effort (which throughout his interview he valued very high) and his ability to his salary; a high salary will, according to himself, underscore his identity as a high performer that puts in a lot of effort into his work. In another part of his interview he elaborated on where this identity originally comes from:

[Dan Fox had previously indicated that his main goal with his career was to advance down his career path faster than his peers].

Why is it important to advance faster than everyone else?

Because that would confirm that I'm better than everyone else.

Do you have to be that?

I've never understood people whose goal is to be average. I think that's a pretty lousy viewpoint.

But why is it important to be the best?

I believe that when you spend many hours doing something there's some form of intrinsic value or self-respect when you know that you work harder than those around you; I mean, it's not about asserting yourself over others but rather that if you have 100 people working with the exact same thing you want to be the person who is performing the best. You don't want to be the person scrambling to get by and only views their job as a job; you come here in the morning and do your 12 hours and then go home. I've never been like that, and I never will be. (Dan Fox)

Here Dan Fox's identity as a hard worker and high performer is put in a contrasting light; it is part of his identity to always be the best because he views it as a form of self-respect and his wish to avoid the anti-identity of someone scrambling by. His desire to work within investment banking where it is difficult to be the highest performer can be understood to be his identity work to reach the goal of "not being average" because even

if he does not succeed to become the absolute top dog he is still able to view and identify himself as a high-performer compared to the general population. The quote from Bateman (p. 38) would indicate why he has chosen investment banking as his trade with very complementary reasons; as the stock exchange is constantly updating, Bateman is able to continuously reaffirm his identity as a high-performer. It is clear that these individuals (along with e.g. Mannheim, p. 36) make use of their trade as part of their identity work, and that investment banking specifically works well to accommodate their personalities. Bateman expanded upon Dan Fox's point that it is not about asserting yourself over others, but rather that there is some form of inherent will to be a high-performer:

Is it about comparing yourself to others?

Well, not necessarily like that (in a negative way), I've never felt the need to update my Instagram with a picture of a school book saying "3am and still going strong" when everyone else is out partying. It's more about doing it for myself; (when I'm up at 3 am) I'm doing something that probably no one else is doing at this time of night. So it's never been about wanting to push down others or wanting others to see what I'm doing; it's about doing it for myself. Having the knowledge that "right now I'm really pushing myself and I'm learning a lot of valuable things" is the best. (Patrick Bateman)

This quote, coupled with Dan Fox's quote above (p. 50), suggest that these individuals' identity work is heavily internalized. In order to maintain their identity as the "top dog" within their work environment (or in any social group), they convince themselves that they must work longer and harder than anyone else. As both interviewees expressed that they were not interested in asserting themselves over others, and since these comments were made in earnest during the interviews, this would mean that they are less interested in getting approval from everyone they meet, but rather from specific sources; sources they respect themselves.

Mannheim's (p. 40) desire to work within investment banking, and at [prestigious investment bank] in particular, stems from his wish to shape his identity around prestige. His anecdote of the German partner who said "like all people at [prestigious investment bank], is extremely

driven...” shows his ambition to become one of the [prestigious investment bank] employees who have such respect even on other firms in the trade because that will bestow on him this label of “[prestigious investment bank] material”; through employment at [prestigious investment bank], Mannheim is able to craft his identity as “extremely driven” which in his own words is more important than his salary (Mannheim, p. 36). A similar argument can be heard from Taylor:

What is your driving force?

I think my driving force is to feel this sense of usefulness, of feeling that you’re contributing and being a meaningful member, not necessarily of society at large or so, but something as simple as getting good grades; something that creates value. (Darien Taylor)

Taylor’s drive to work within investment banking is explained by her desire to always be useful, and because you are constantly given feedback on your work you will always feel that sense of usefulness and contribution which so shapes her identity. Your boss telling you that you did a good job with a PowerPoint you spent all night preparing can in many ways be equivocated to getting a high grade on a test, which would serve to further cement her identity as “someone that contributes to [the cause]”. Bud expressed similar feelings of wanting to be useful but from the other side of that coin; rather than saying that he wants to be useful he said that he does not want to disappoint his superiors:

[Talking about the interviewee's internship the previous summer]

When you were staying until 4 am and you have to motivate yourself to keep working, what did you tell yourself?

The hard part isn’t actually when you’re sitting there. If there is something that I’ve been assigned to do and I’ve said that I will do it, my anxiety of waking up the next day and hearing my boss say: “You said that you would do this...” keeps me motivated. It’s not that I’m afraid of being scolded, I just don’t want to disappoint anyone; I want to perform the best I can. The hard part was never when I was sitting in the office at 4 am thinking “I have to get this done tonight”; the hard part was getting up the next morning when I, with next to no sleep, had to be

in the office on time at 9 am and I had to stay awake despite not having any assignments. Being “in it”, with 15 cups of coffee in your system, is not the hard part. (Bud Fox)

While Taylor was driven to work within investment banking because she wants to be useful, Bud Fox is driven to work here because there is a lot of trust created between employer and employee; your boss will often leave the office around 6-7pm leaving you with assignments that have to be done overnight. Bud Fox is driven by the trust his boss empowers him with because his identity is that of a person you are able to trust; when Bud Fox tells you that he will be done with an assignment by 9am he will be done because that is part of his identity work. Many of our interviewees expressed similar sentiments.

5. Discussion

Under this section, we will answer our research question based on the empirical findings found in chapter 4 Empirical analysis and how it relates to the theory discussed under chapter 2 Theoretical framework.

What motivates the drive behind a career in investment banking?

Our results have shown that most of our interview subjects make sense of the investment banking lifestyle where they (barely) eat, (barely) sleep, and work through identity work, as related by Snow and Anderson (1987) and Alvesson and Sveningsson (2003), in various different ways. Investment banking is an arduous industry where students, then interns, are expected to work until late at night every day of the week and much of the weekends as well (e.g. Gekko, p. 34).

The empirical evidence paints a picture of students uses of identity work in their goals to be seen as hardworking; the best of the best. Many are driven by a desire to be the best in any setting they find themselves in, and if they cannot be the best they at least want to be the hardest worker, as a lot of students put emphasis on effort in their working lives while noting that they were rarely the best *performer* during their internships compared to the full-time employees. The students' identity work is shown through the findings to be a very important intrinsic factor when students push themselves to their utmost limits during their internships.

Other identities used by the students to make sense of the rough working conditions included that of being useful. This identity was applied in such a way whereby the student wanted to make sure that he or she constantly contributed to the team, which required them to work overnight. Another identity prevalent throughout many interviews was that of being trustworthy; the idea that “you can count on me” seemed strong in many interviewees. This identity was used by the interviewees to explain why they were willing to work long nights; because, as Bud Fox put it (p. 45):

“If there is something that I’ve been assigned to do and I’ve said that I will do it, my anxiety of waking up the next day and hearing my boss say: “You said that you would do this...” keeps me motivated.”

One interesting find is that, while identity work certainly is employed by students when they are both preparing for internships and while doing their internships, many of these identities were created long before they started their internships (e.g. Smith, p. 39; Dan Fox, p. 43). This indicates that they have, through investment banking, found an avenue for them to further work on identity construction. Investment banking becomes the basis for intrinsic motivation itself, and the monetary compensation becomes, as previously touched upon and explained further in the discussion, a measuring stick for how well you are living up to your constructed identity. In concrete terms; the individuals entering investment banking already have a preconception of their identity as hardworking, useful, trustworthy, or any mix of these, which is then further used to explain to themselves why they should continue working under they trying conditions they do work under. The extent to which they are able to explain to themselves that it is worth it, they turn to monetary compensation as a measurement to how well they have already constructed their identity, and how well they are living up to their identity. This means that monetary compensation is a very powerful driving force for these individuals, but only as it relates to their identity work.

Our findings also shed light on the type of individual described under the theoretical section where Maslow (1943) was discussed. The individual is one who undervalues a physiological need in favor of a “higher” need, which is directly applicable to our interview subjects not necessarily because of their chronic hunger problems, but because of the sleep deprivation they experience when they work; every research object we interviewed recounted to us their various experiences from internships at different investment banks in both Stockholm and London. The issue of a lack of sleep came up time and again, often brought up by the interviewees themselves, as they related their 80-100 hour work weeks where they would begin the workday at 9 am and leave the office sometimes as late as 3am-4am, only finding a handful of hours of sleep each day sometimes for weeks on end. Maslow (1943) argued that these individuals would, after experiencing this lack of a basic need in favor for a “higher” need, revalue their entire hierarchy and eventually value sleep more than whatever they find alluring with the “higher” needs, and yet the young students we have interviewed have all expressed eagerness to begin their careers where they know that they will once again be forced to give up sleep in favor of the “higher” needs. This behaviour can also be explained by the individuals’ identity work and show the

lengths to which they are willing to go to both construct, but mainly maintain, their identities as hardworking, high performing, useful and trustworthy individuals.

6. Conclusion

Under this section, we will discuss the conclusions of this thesis. First, we will reconnect with our purpose and draw conclusions from our empirical findings on how they relate to existing theory. Secondly, we will quickly point out some very practical consequences of our result in a broad context, but as this is not part of neither our purpose nor our research question this section will be very short. Thirdly, we will explain our contribution to the existing theory. Finally, we will suggest a few new areas for research.

Our findings show that traditional motivational theory (e.g. Maslow, 1943; Vroom, 1964; & Herzberg, 1966 cited in Eriksson-Zetterquist et al. 2011) is lacking in its full appreciation of the very dynamic and complex roles that extrinsic rewards have on intrinsic motivation. Throughout our empirical findings, our interview subjects have shown a tendency to treat extrinsic rewards in general, and monetary compensation in particular, as a great source of intrinsic motivation. This is in line with more recent theoretical suggestions in the field of motivational research (Hennessey & Amabile, 2010; Gerhart & Fang, 2015). The findings indicate that extrinsic rewards serve as a source of affirmation for young students (e.g. Dan Fox, p. 37; Lou Mannheim, p. 40) whereby superiors are able to communicate to the students, then interns, that they are appreciated and that their work is valued.

Furthermore, the findings also show that extrinsic rewards, especially monetary compensation, has a deeper impact on long-term goals than previously established by traditional motivational theory (e.g. Maslow, 1943 & Herzberg, 1966 cited in Eriksson-Zetterquist et al. 2011), as most of the interviewees expressed that money, in particular, was an important step in achieving their end goals (most of which being to start their own Private Equity Fund), which stands in stark contrast to the role money plays within traditional motivational theory as simply a way to satisfy physiological and security needs or as a dissatisfier. While this is partly explained by Vroom's (1964) theory of expectancy, where people whose goal it is to start their own Private Equity Fund could expect that a career within finance would give them the tools needed to achieve this goal, some of the interview subjects whose goals do not specifically correlate to the world of finance (i.e. being a good father, owning horses, making a positive impact on the world) must be considered to be behaving irrationally according to Vroom's (1964) expectancy theory. These

individuals could work in other areas where they would have higher probabilities to achieve their goals, such as working for the Red Cross or being farmers who own horses.

Moreover, the findings also serve as empirical evidence for Deci et al. (1999)'s rebuke of the applicability of the research carried out by Lepper et al. (1973) and Lepper and Greene (1974), which has long been viewed as the be-all-end-all definitive evidence that extrinsic rewards hamper intrinsic motivation. As Deci et al. (1999) theorized, our findings prove that this is not the case for university students, as they time and again expressed that receiving extrinsic rewards for hard work increased their motivation to work as it was perceived by them as a token showing that they were doing a good job. It can be surmised based on the statement by Deci et al. (1999, p. 656), that these findings are applicable to adults as well.

Our findings have given empirical evidence showing that extrinsic rewards can have a positive impact on intrinsic motivation, and has given a nuanced picture of the role of monetary compensation, in particular, is viewed by university students aspiring to work within investment banking. In answer to our purpose, the empirical evidence shows that extrinsic rewards (such as pay-for-performance suggested by Gerhart and Fang, 2015) works as both a token of appreciation and also as a measuring stick for these students whereby they are able to compete with other both other students at school, but most importantly with other bankers (especially interns) during their internships. However, it should be noted that all of our interview subjects already had high levels of intrinsic motivation, meaning that these results cannot necessarily be transferred to other trades without consideration of said trades particular context. This is in line with the theoretical suggestions made by Hennessey and Amabile (2010).

The lack of interest in asserting yourself over others was also addressed in the empirical evidence (i.e. Dan Fox, p. 43; Bateman, p. 44). They are driven to work within investment banking because there is a clear hierarchy and the main method of showing approval (i.e. monetary compensation) is generally agreed upon by all parties involved and heavily dependent on your performance, as described in other parts. This shows that while money can be a way for many people to show off what they have accomplished to external parties, it can also work to satisfy internal needs for

other people. It is even more likely that external rewards can have both of the above-mentioned impacts on people (i.e. work to satisfy both internal needs and desires to show off).

Consequences of result in a broad context.

The consequences of our empirical findings should be for all investment banks and other organizations operating directly with finance to reevaluate their extrinsic reward schemes to make sure that they are able to properly reward employees for good work. The notion of pay-for-performance and similar extrinsic reward schemes is (obviously) already prevalent in the world of finance, and our findings should simply reiterate the need for such schemes in order to properly motivate employees to feel valued at work. Moreover, our findings should be considered applicable in many trades with similar work-structures such as law, real estate, and consulting.

Contribution to existing theory.

Our empirical findings, as well as our discussion regarding the role of monetary compensation for the identity work of students aspiring to work with investment banking is a strong argument for a reassessment of extrinsic rewards as purely an extrinsic motivating factor. The role of monetary compensation to spur on intrinsic motivation should blur the generally very clear distinction between extrinsic and intrinsic motivation (e.g. Woodworth, 1918; Maslow, 1943; Herzberg, 1966 cited in Eriksson-Zetterquist et al. 2011) to more of a greyzone, which would be more in line with the findings of this study.

Our problematization chapter indicated a lacking of empirical findings to strengthen the assertions made by both Hennessey Amabile (2010), and Gerhart and Fang (2015). Our findings and conclusions should be viewed as an empirical contribution that has both strengthen the assertions made by the two above mentioned author-pairs; extrinsic rewards can have a positive impact on intrinsic motivation. The thesis has also given grounds to reevaluate the role extrinsic rewards play for students aspiring to work within investment banking.

Suggestions for new areas of research

Our research opens up for new areas of research. We find that more study should be done on the following points:

High intrinsic motivation is assumed by Hennessey and Amabile (2010) to be a prerequisite for extrinsic rewards being impactful in a positive way. Since our research only dealt with students with high levels of intrinsic motivation we have not been able to gauge if this assumption is correct, which leads to two questions: Firstly;

- What is the effect of extrinsic rewards on individuals with low levels of intrinsic motivation? Do note that this would have to be conducted with interview objects that are at least adolescent, as the findings by Lepper et al. (1973) and Lepper and Greene (1974) have not been called into question as they relate to young children and not university students.

Secondly;

- Where is the breaking point for when intrinsic motivation is high enough for extrinsic rewards to become important? This would naturally vary on an individual basis, but should still be an interesting area to conduct research in.

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