



LUND UNIVERSITY
School of Economics and Management

Department of Business Administration

BUSN79

Business Administration: Degree Project in Accounting and Finance

Spring 2019

How does the removal of repetitive tasks affect motivation?

-A study of motivation within shared service centers

Authors:

David Raso

Johan Olsson

Supervisor:

Rolf G Larsson

Abstract

Title: How does the removal of repetitive tasks affect motivation? – A study of motivation within shared service centers

Seminar date: June 5, 2019.

Course: BUSN79, degree project in Accounting & Finance, 15 ECTS.

Authors: David Raso & Johan Olsson.

Supervisor: Rolf G Larsson.

Key words: Motivation, Shared service center, Accounts payable, Commitment, Repetitive tasks.

Purpose: The purpose of this study is to investigate how the removal of repetitive tasks would affect employees' motivation.

Theoretical framework: The theoretical framework of this thesis is built upon theory regarding motivation, feedback, boring tasks and commitment.

Methodology: A qualitative empirical research approach consisting of a multi-case study.

Empirical foundation: The empirical data consists of primary data. The data was collected through multiple interviews with managers and employees.

Conclusions: The study suggests that the motivation of the employees working within an shared service center at accounts payable experience an increase in their intrinsic motivation when they feel committed to their work tasks and when they perform a variety of tasks. The study also suggests that the reason for an shared service center's existence, the specialization of tasks, is in itself not motivating for the employees.

Table of contents

1. Introduction.....	5
1.1 Background	5
1.2 Problematization.....	5
1.3 Purpose	7
1.4 Company descriptions	7
2. Research method.....	8
2.1 Qualitative research approach.....	8
2.2 Case study	8
2.3 Selection of cases	9
2.4 Data collection	10
2.4.1 Primary data	10
2.4.2 Secondary data.....	11
2.4.3 Interview presentation.....	11
2.5 Literature review	11
2.6 Data analysis.....	12
2.7 Limitations of research method	12
2.7.1 Validity and Reliability	12
3. Theory.....	14
3.1 Intrinsic and extrinsic motivation.....	14
3.2 Relationship between intrinsic and extrinsic motivation.....	17
3.3 Feedback	18
3.4 Studies related to boredom at work	19
3.5 Commitment and motivation.....	20
4. Empirical findings.....	21
4.1 Company Beta.....	21
4.1.2 Interview with manager.....	21
4.1.3 Interview with employee	25
4.2 Company Omega	27
4.2.1 Interview with manager.....	27
4.2.3 Interview with employee	30
5. Analysis.....	32
5.1 Manager	32
5.1.1 Educational level and motivation.....	32
5.1.2 Employee turnover, motivation and the removal of boring tasks.....	33

5.1.3 Removal of boring tasks and its effect on motivation	33
5.1.4 Commitment and motivation.....	34
5.2 Employee analysis	35
5.2.1 Commitment and motivation.....	35
5.2.2 Educational level, experience and motivation.....	36
5.2.3 Employee turnover and motivation	36
5.3 Summary of analysis.....	37
5.4 Theory analysis	37
6. Conclusion.....	41
7. Discussion of findings and contributions.....	42
8. Limitations of the study and further research	44
References.....	45
Appendix.....	48
Appendix 1. Interview questions employee	48
Appendix 2. Interview questions manager	49

1. Introduction

Chapter 1 describes the setting and provides important knowledge of what this thesis will mainly cover. Part 1.1 provides background information and understanding of the main fields of interest for this thesis. Part 1.2 provides the problematization of the study. Part 1.3 states the purpose of the thesis. Part 1.4 briefly describes the case companies.

1.1 Background

The search for ways to stay competitive has led companies on a constant quest for efficiencies and cost reductions (Richter & Brühl, 2017). The most forward-thinking companies maintain their competitiveness by structuring their organizations in a flexible way. According to Richter and Brühl (2017), this is done by focusing on core activities and reconfigure support activities. Companies align their value chains through the organization of activities either by outsourcing or by insourcing. This leads to a make-or-buy question and companies have earlier decided with a buy decision. However, according to Richter and Brühl (2017), shared service centers has been increasing in recent years because of their ability to provide economic benefits and create new competences. Richter and Brühl (2017) further define the shared service center as “a partly autonomous business unit that operates consolidated support activities, such as accounting and human resources (HR) and provides services to internal clients” (p. 26). The implementation of shared service centers has yielded cost savings ranging between 20-50 % within companies like Siemens and DHL (Richter & Brühl, 2017). In addition, many of the large consultancy firms in the world offer extensive support in setting up and organizing shared service centers. One example is Deloitte (n.d.) who offers services for investigating how a shared service operating model would align with the business strategy of the company. In addition, they offer services for an integrated approach to the establishment, localisation and optimisation of processes that could be transferred to a shared service center (Deloitte, n.d). Shared service centers are indeed used frequently and on a growing scale. According to Richter and Brühl (2017), more than 75 % of Fortune 500 companies uses some established models of shared service.

1.2 Problematization

One of the main reasons for our interest in the topic of this thesis is due to previous work experience in company Beta within accounts payable (AP). The shared service center (SSC) provides accounting services to 15 internal sales companies in western Europe. AP deals with

registration of supplier invoices, bookkeeping, payments, reconciliations and monthly closings. Every employee within AP has some specific countries that they work with and has responsibility for. What could be seen in AP in company Betas shared service center was that there were quite a lot of manual and repetitive task performed by the employees. One repetitive task in particular is the manual registration of supplier invoices within AP. In company Beta, the registration of invoices works as follows. A supplier invoice is sent from the supplier, either to the sales companies as a paper invoice where the invoice is scanned and sent to the finance system of the shared service center as a PDF-file or directly from the supplier to company Betas shared service center as a PDF-file. When the invoice has arrived in the finance system, an accountant starts to manually read the text and number on the PDF-file and types in the relevant text and numbers in specific registration fields in the finance system so that the invoice can be booked. The accountant types in the supplier number, invoice number, invoice date, due date, total amount, VAT-code, VAT-amount (is actually filled in automatically depending on which VAT-code is used, but it sometimes has to be changed due to different reasons) and lastly the user-ID of the person that the invoice should be sent to for goods reception and approval. If a number would be typed incorrectly, the invoice would have to be deleted and registered once again. When the correct numbers are registered the invoice is done and a new invoice can be handled. When handling hundreds of invoices a day, the job could be quite repetitive. Chung & Vickery (1976) states in their paper that repetitive tasks are usually quite boring. According to Chung and Vickery (1976), several earlier studies on repetitive tasks have shown that repetition of a limited number of stimuli results in a decrease in performance.

The question that comes into mind is; what would happen if the repetitive task of manually registering invoices into a finance system would be removed from the employees work tasks? In addition, Sihombing et. al. (2013) suggest future research to be made regarding the relationship between work motivation and organizational commitment. This would lead to an understanding of how commitment could affect the motivation amongst employees. These questions form this thesis' problematization and leads to the purpose of this thesis.

1.3 Purpose

The purpose of this study is to investigate how the removal of repetitive tasks would affect employees' motivation. This leads to the research question of this thesis:

How does the removal of repetitive tasks affect motivation?

1.4 Company descriptions

The cases consist of two large companies called Beta and Omega. Company Beta is a large multinational listed manufacturing company with its headquarter in Sweden. In their annual report for 2018 they describe themselves as a company which produces fluid handling equipment and has around 17.000 employees and a turnover of 40 billion SEK (Beta, 2018). The department under investigation at Beta is a shared service department that handles accounts receivable, AP and reporting for around 15 of the company's own sales companies located in western Europe. Company Omega is a construction company with its operations in Scandinavia. According to their annual report of 2018, the company has around 15.000 employees and a turnover of around 52 billion SEK (Omega, 2018). The department under investigation at Omega handles the accounts receivable, AP and basic reporting.

2. Research method

This chapter provides the reader with the chosen method of the thesis. Part 2.1 describes the qualitative research approach. Part 2.2 describes the case study. Part 2.3 describes the selection of cases. Part 2.4 describes the data collection. Part 2.5 describes the literature review. Part 2.6 describes the data analysis. Part 2.7 discusses the limitations of the research method.

2.1 Qualitative research approach

This thesis has been conducted using a qualitative research approach since we have evaluated it to be the most suited way of fulfilling the purpose of this thesis. The thesis aims at investigating how motivation of the employees is affected by the removal of repetitive tasks. The qualitative approach can more effectively investigate how individuals perceive the environment in which they act (Bryman & Bell, 2015). Furthermore, previous studies regarding shared service centers have been using a qualitative research approach and found no significant problems using it (Larsen et. al, 2015).

2.2 Case study

There are many different kinds of qualitative research methods (Bryman & Bell, 2015). The qualitative method used in this thesis is the case study. One definition of a case study is provided by Yin (2009) in his book *Case Study Research*. Yin (2009) divides the definition in two parts. The first part explains the scope of the case study:

1. *A case study is an empirical inquiry that*
 - *investigates a contemporary phenomenon in depth and within its real-life context, especially when*
 - *the boundaries between phenomenon and context are not clearly evident. (Yin, 2009, p.18)*

The second part of the definition is the technical characteristics:

2. *The case study inquiry*
 - *cope with the technically distinctive situation in which there will be many more variables of interest than data points, and as one result*

- *relies on multiple sources of evidence, with data needing to converge in a triangulating fashion, and as a result*
- *benefits from the prior development of theoretical propositions to guide data collection and analysis. (Yin, 2009, p.18)*

The case study method has been deemed to be the best suited research approach since, according to Yin (2009), a case study makes it possible for researchers to investigate organizations and processes in an in-depth way and within their normal circumstances. This is well aligned with the thesis' aim of investigating how the removal of repetitive tasks affect motivation. In addition, since the research question focuses on explaining how work motivation is affected, the research is conducted in an explanatory way on contemporary events. For the research to be able to answer a “how-type” of research question, case studies are the most suitable research methods since they aim to understand and explain links and conditions rather than incidences or frequencies (Yin, 2009).

Case studies can be conducted in a multiple of ways, several methods can be used, and several cases can be studied at the same time (Yin, 2009). For the purpose of studying how work motivation is affected, a multiple-case study has been conducted using two companies where interviews have been conducted both with managers and employees. The reason for using two case companies is because it would significantly increase the quality and reliability of the study and provide a more nuanced view of the employees work motivation. By using a multiple-case study we can compare between the two companies to find similarities and differences and capture different issues and solutions of the companies.

2.3 Selection of cases

One major criterion for choosing the case companies were that they had to have shared service centers of quite large scale, however the selection of case companies has been based mainly on personal contacts within the companies. The reason for only choosing two case companies is due to time limitations and the difficulty in getting other companies that are willing to participate in interviews. Furthermore, according to Richter and Brühl (2017), more than 75 % of Fortune 500 companies uses some established models of shared service. This has led the study to only focus on large companies since mostly larger companies uses internal shared service centers.

The contact with the companies were handled through emails where we asked to gain access to interviews, preferable with both managers and with employees working at AP. Positive responses were received by both companies where we could interview one manager and one employee within company Beta and in company Omega, we had access to one manager and one employee. Since both companies provided interview respondents with both managers and with employees, we believe this increases the quality and reliability of the study. In addition to the interviews, email conversations regarding follow-up questions were used to clarify any uncertainties.

2.4 Data collection

The empirical material in this study has been collected from multiple sources, mainly from primary and but also secondary sources.

2.4.1 Primary data

The collected primary data consists of interviews and e-mail correspondence with key positions within shared service centers in the two case companies Beta and Omega. Both companies have asked to be anonymous which has been fully taken into consideration in the study. The interviews were organized as semi-structured interviews. According to Yin (2009), one of the most important information sources of a case study is the interview. An interview is more a guided conversation between the interviewer and the interviewee (Yin, 2009). One type of interview that Yin (2009) raises is the *in-depth interview*. According to Yin (2009), this kind of interview is about asking the interviewee about facts of a matter but also about their opinions about the facts. In addition, the interviewer can ask the interviewee to propose own ideas and solutions to different occurrences. Yin (2009) recommends that not only one interview during a short setting should be conducted, but several interviews with different people is preferable to gain more in-depth and extended knowledge. This kind of interview enables the researchers to be flexible and develop the questions and answers during the interview to gain knowledge on a deeper level and make the interviewee come to own conclusions and own understanding (Qu & Dumay, 2011). Because of this, we have chosen to conduct multiple interviews with the interviewees. The interview guides will consist of questions based on the chosen literature presented in section 3. Theory.

The persons interviewed were both managers and employees working with AP in order to understand if there are different perspectives and, if so, how these perspectives differ. Semi-structured interviews were conducted with one manager from both company Beta and Omega and one employee from both company Beta and Omega. In addition, one of the authors (Johan Olsson) of this thesis has been working for several years at Beta as an accountant working at AP and has been able to provide the study with information about how different processes works.

2.4.2 Secondary data

Secondary data have been used in the form of annual reports from both case companies. The annual reports have been used in the process of selecting the cases.

2.4.3 Interview presentation

This chart presents which interviewees has been interviewed and how long the interview was.

Table 1.

Company	Interviewee	Time of interview	Interview location
Beta	Manager	1h and 15 minutes	On company site
	Employee	40 minutes	On company site
Omega	Manager	1h and 18 minutes	On company site
	Employee	36 minutes	On company site

2.5 Literature review

The literature used in this study has been carefully and thoroughly selected to align with the purpose and research question of this thesis. The literature review presents the relevant literature for understanding different concepts and relationships between these concepts. The relevance of the literature has been evaluated with the help of previous studies of work motivation and work performance on the course BUSO76 Performance Measurement and Management within the master's programme Accounting and Finance at Lund University during the fall 2018. The knowledge gained from this course has allowed us to narrow down the search for relevant literature to reassure the usability in the analysis. Several different articles have been used to cover the extensive field of work motivation and work performance. To begin with articles about motivation have been used which leads on to

theory about feedback. This leads on to theories about boredom at work and in the end of the chapter, theory about commitment and motivation is provided.

2.6 Data analysis

The empirical material gained from primary and secondary data sources were analyzed with the help of some techniques described and suggested by Yin (2009) for analyzing case studies and the chosen literature in section 3. Theory. The techniques that will be used are pattern matching, explanation building and cross-case synthesis. The pattern matching technique will be used to compare theoretical anticipations with the empirical patterns discovered in the cases (Yin, 2009). The explanation building technique will be used to build an explanation of the empirical data found in the cases (Yin, 2009). The cross-case synthesis technique will be used to compare the empirical findings in each of the cases to unveil potential similarities or differences (Yin, 2009).

2.7 Limitations of research method

The case study method has some limitations even though we deemed it the most suitable research method for the purpose of this thesis. The most apparent limitation is the method's inability to scientifically generalize the empirical findings of the study (Yin, 2009; Bryman & Bell, 2013). Because of the in-depth scope of case studies, as in this thesis where the number of cases is low, the results should be applied with high caution to other organizations with large SSC and other countries. The aim of this thesis is not to create an all-covering description and explanation of what happens with motivation when repetitive tasks are removed from work. Instead the aim is to highlight some tendencies that affect motivation amongst SSC employees when repetitive tasks are removed.

2.7.1 Validity and Reliability

In order to assess the quality of our chosen method, we have conducted four tests as suggested by Yin (2009). These four tests are construct validity, internal validity, external validity and reliability. These four tests are important in order to evaluate the set of statements of any given scientific research (Yin, 2009).

The construct validity test means that the research method uses multiple sources of evidence (Yin, 2009). We have used mainly one type of source and that is the primary source.

However, we have been able to conduct four interviews, two with company Beta where one is a manager and one is an employee, and two with company Omega where one is a manager and one is an employee. This gives the primary sources decent coverage of the studied subject. One limitation of our chosen method is that we have not used secondary data as much as primary data. This could have supported the data of our primary sources.

Internal validity means to do pattern matching and explanation building in the analysis of the empirical material (Yin, 2009). To assure the internal validity we are using the data analysis methods suggested by Yin (2009). When conducting our pattern matching it is important to compare the manager interviews with each other and compare the employee interviews with each other to ensure comparability.

The external validity refers to the problem of whether the findings of the study are generalizable to other cases than those used in the study (Yin, 2009). If the study uses multiple cases, the technique used to assure external validity is to enable the study to be replicated and, in this way, test the generalizability on multiple cases. This study is conducted using a case company where one of us has previously been employed and had the manager as a manager and worked with the employee as a colleague. This could create the problem that they do not want to disclose things that otherwise could be disclosed if the previous work relations did not exist. This could potentially hurt the generalizability of our study.

The aim of reliability is to minimize the possibility of errors and biases occurring (Yin, 2009). This means that if other researchers would perform the same study using the same research design and using the same case companies, they would come to the same results and conclusions. Our study lacks in reliability due to the work relation biases. This will probably significantly affect the results and conclusions of other researchers conducting the same study. However, to be able to increase the reliability we have recorded all the interviews to be able to carefully listen and to be able to go back and listen again if we need to clarify any questions.

3. Theory

This chapter presents the relevant literature and theories regarding the research topic and purpose of this thesis. Part 3.1 describes the intrinsic and extrinsic motivation. Part 3.2 describes the relationship between intrinsic and extrinsic motivation linked to agency theory. Part 3.3 describes theory about feedback. Part 3.4 describes theory about boredom at work. Part 3.5 describes theory about commitment and motivation. The literature and theories provided are later used in the analysis.

3.1 Intrinsic and extrinsic motivation

Anybody who is participating in an activity considers the question of how much oneself and others are motivated to perform a specific task. In addition, most people face the question of fostering increased or decreased motivation in the people around them (Ryan & Deci, 2000). Furthermore, there are not only different amounts of motivation within people but there are different kinds of motivation. These different kinds of motivation facilitate the attitudes and the goals that leads to different actions.

Ryan and Deci (2000) has developed the Self-Determination Theory (SDT) which divide motivation in two types based on the reasons and goals that leads to an action. The two types are intrinsic motivation and extrinsic motivation. Intrinsic motivation refers to performing a task because it is naturally interesting or enjoyable. Extrinsic motivation refers to performing a task because it results in a separable outcome. (Ryan & Deci, 2000)

The definition of intrinsic motivation is, according to Ryan and Deci (2000): “the doing of an activity for its inherent satisfaction rather than for some separable consequence” (p, 56).

When people are intrinsically motivated, they are acting for the fun or for the challenge involved in the task, rather than external rewards or pressures. It is important to understand the reasons that increase and decrease intrinsic motivation since this kind of motivation results in high-quality creativity and learning. (Ryan & Deci, 2000; Kim, 2018).

According to Ryan and Deci (2000) humans are, from their birth and onwards, active, curious, inquisitive and playful. Humans are naturally willing to learn and explore and they do not need strong incentives to do so. This natural tendency of motivation is a crucial part in the social, physical and cognitive development of people. This is because people grow in

knowledge and skills due to the acting on one's inherent interests. To be able to specify the factors that produce variability within intrinsic motivation, Ryan and Deci (2000) with reference to Deci and Ryan (1985), developed the Cognitive Evaluation Theory (CET). The CET is considered as a sub theory of SDT and states that events and structures like rewards, communications and feedback that leads to feelings of competence when performing a task, can increase intrinsic motivation for that specific task. This is due to the satisfaction of human's basic psychological need for competence. Furthermore, the CET states that feelings of competence cannot by itself increase intrinsic motivation. The feelings of competence must be accompanied by feelings of autonomy. This means that people need both feelings of competence and autonomy in the sense that they perceive their behaviour as self-determined. This will in turn lead to maintained and increased intrinsic motivation. The competence and autonomy parts of the CET were formulated as a result of earlier studies about the effects of rewards, feedback and other factors that affect intrinsic motivation. According to Ryan and Deci (2000), these earlier studies has shown that positive feedback increased the intrinsic motivation and negative feedback decreased it.

The definition of extrinsic motivation is, according to Ryan and Deci (2000): "a construct that pertains whenever an activity is done in order to attain some separable outcome" (p. 60). According to Ryan and Deci (2000) most activities that people perform are not intrinsically motivated. They mean that after early childhood, the intrinsic motivation becomes more and more subdued by social demands and expectations that makes people perform non-intrinsically interesting tasks. This becomes apparent in schools where it seems like the intrinsic motivation decreases with each grade. However, the SDT argues that the degree of autonomy within extrinsic motivation can vary significantly.

Within the extrinsic part of SDT, there are two ways for adopting values and behavioural regulations. These are internalization and integration. Internalization is the way of adopting a value or regulation without much consent. One example could be an accountant who is only motivated to do the work because the accountant fears sanctions from the managers and the loss of job and income. The accountant is accordingly doing the work for the separable outcome. The other ways for adopting values and behavioural regulations is integration. Integration is the way where people more fully transform the values and regulations into their own. One example of this an accountant who is motivated to do the work because the accountant believes it is valuable to perform a good job for the future career. In this case the

accountant is also extrinsically motivated to perform good for the separable outcome. However, in the latter case the accountant has adopted the values and regulations on a personal level and with a feeling of choice whereas the first case only complies with external control. The difference between the internalization and integration is their relative autonomy.

Ryan and Deci (1985) introduced another sub theory within the SDT called Organismic Integration Theory (OIT). The OIT shows the relationship between amotivation, extrinsic and intrinsic motivation and the different forms of extrinsic motivation. It also explains the factors that can promote or obstruct internalization and integration (Ryan & Deci, 2000). See Figure 1 for illustration.

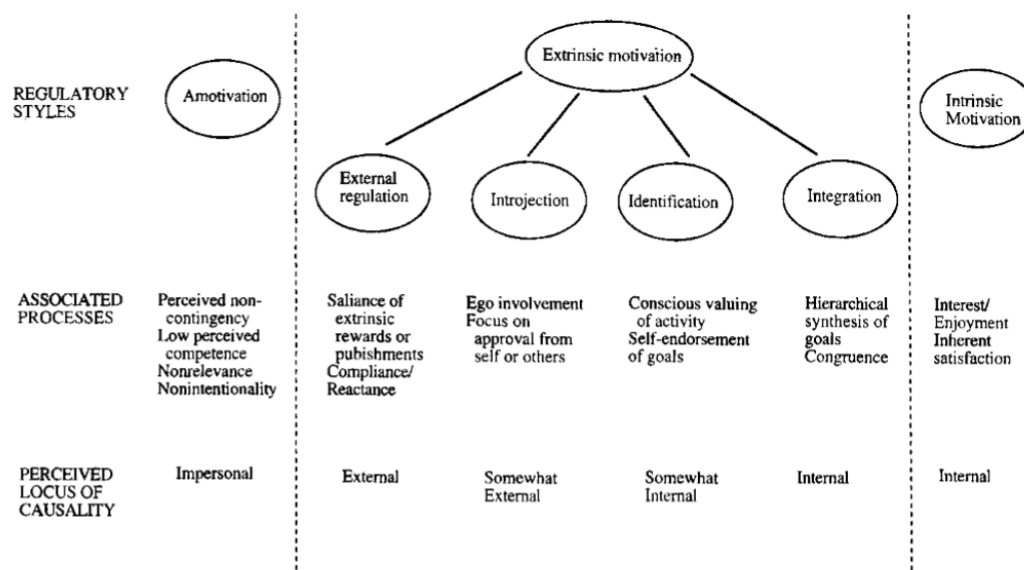


Figure 1. (Source: Ryan & Deci, 2000, p.61).

To the left in Figure 1 is amotivation which is when someone lacks any intention to act in any way. Amotivation is the result of a person not valuing an activity, when a person is not feeling competent enough to perform it or when the person does not believe that it will lead to a desired outcome. To the right of amotivation is the extrinsic motivation where the furthest to the left within extrinsic motivation is the external regulation. The external regulation is the least autonomous form of extrinsic motivation. Behaviours within external regulation are performed to satisfy an external or achieve an external reward. The second type of extrinsic motivation is the introjected regulation. The introjected regulation describes a kind of internal regulation that is quite controlling. This is the case because people perform

these tasks with a feeling of pressure to avoid guilt and anxiety or to be able to achieve some sort of pride. The third type of extrinsic motivation is the identification regulation which is a more autonomous type of extrinsic motivation. Within the identification regulation, the person identifies herself with the personal importance of a behaviour and has adopted the regulation as a part of her own. The last part of the extrinsic motivation is the most autonomous part called integrated regulation. This integration occurs when the person fully has integrated the regulations as a natural part of her own values and believes.

The closing remarks of this article is that extrinsic rewards can diminish intrinsic motivation. In addition, not only physical rewards can diminish intrinsic motivation but threats, directives, deadlines and competition pressures since people perceive them as controlling their behaviour and affecting their autonomy.

3.2 Relationship between intrinsic and extrinsic motivation

The relationship between extrinsic and intrinsic motivation with regards to agency theory have been discussed in literature (Frey, 1997; Lambright, 2008). These studies states that agency theory does not consider intrinsic motivation as important for the purpose of controlling the employees. According to Frey (1997), agency theory sees work relations as being permeated with distrust. This in turn leads to that the managers need to monitor and control the workers. This monitoring and controlling could be done by negative sanctions and threats of dismissal. However, Frey (1997) argues that there should be a more balanced approach between extrinsic and intrinsic motivation. Frey (1997) means that the relationships between extrinsic and intrinsic motivation is the key for a balanced approach to motivation. If there is not a balanced approach, the use of extrinsic incentives may crowd out intrinsic motivation (Frey, 1997).

There are, according to Frey (1997), two crowding effects. The crowding-out effect of intrinsic motivation can be described as an external intervention that diminishes intrinsic work motivation and negatively affects the workers benefit of performing a task. The crowding-in effect of intrinsic motivation can be described as an external intervention that raises intrinsic work motivation and the benefit from performing a task becomes positively affected. (Frey, 1997; Lohmann, Houlfort & De Allegri, 2016)

According to Frey (1997), a psychologically unstable situation emerges when a person is motivated to perform a task by both high work morale and external incentives. Frey (1997) means that the worker becomes over-motivated since she would have performed the work even if one of the two kind of motivations were reduced. In response, a rational person reacts by lowering the type of motivation that is under her own control which means that the intrinsic motivation is reduced. The intrinsic motivation becomes replaced by the external incentives.

Frey (1997) argues that there are two conditions for crowding-out to occur. The first is that the workers must have high intrinsic motivation and the second is that the conditions for crowding out intrinsic motivation must be present. There are some reasons regarding the high work morale which are firstly that the more interesting a certain task is for the worker who performs it, the higher the intrinsic motivation becomes to perform the task well. The second reason is that a more personal relationship between the manager and the worker leads to more trust, recognition and loyalty which in the end leads to intrinsic motivation. The final reason is that the more comprehensive the workers participation possibilities are, the higher the work morale will become.

The second is the negative effects on work ethics. The crowding-out effects occur when an external intervention is perceived by the worker as controlling. This will shift the workers feeling of control to the feeling of someone else controlling them. This leads to the manager controlling the worker and in turn this leads to the worker feeling no need to maintain her intrinsic motivation. However, in contrast, when the worker perceives the intervention by the manager to be informative, intrinsic motivation can be maintained or even increase.

3.3 Feedback

Feedback is closely tied to motivation since it can both increase and reduce motivation and performance (Robin & Groyberg, 2015). Feedback can be negative to motivation in some instances and may generate anxiety for both the person who is supposed to give feedback and for the person who will receive it (Burgers et. al., 2015). However, organizations cannot avoid giving feedback in the long run. Since organizations must change and adapt to their environment, feedback will become necessary at some point. Furthermore, although feedback can generate anxiety among employees in the moment, most people want feedback from their

employer. The most fundamental part of making feedback moments effective is to align the views of the feedback giver and the recipient, the organization, manager and staff should have the same views on the goals of the organization. (Robin & Groysberg, 2015)

3.4 Studies related to boredom at work

Studies and books on the concept of boredom by academics go back to the first decades of the 20th century (Barnack, 1939a, 1939b; Münsterberg, 1913; Taylor, Thompson & Spassoff, 1937). Although most of the studies from that time appear to study boredom from a strict medical and observational perspective, some findings from that era is still applicable and relevant for today's work environment. For instance, Münsterberg (1913) links monotonous work tasks to boredom and *The British Medical Journal* discussed reducing the boredom of repetitive tasks by using music played by a gramophone in 1937. However, most of the old work-related articles focused on assembly line jobs and did not discuss the performance or turnover of the employees. Fisher (1993) discussed boredom in white-collar jobs and both Kass, Vodanovich & Callender (2001) and Reijseger et al. (2013) found that boredom among employees leads to employee turnover.

There is not a great amount of studies which examines boredom at work. However, the majority that do examine the effect of boredom for the employee conclude that it has negative effects for the employer, including consequences such as counterproductive work behaviour, low performance and increased employee turnover (Bruursema, Kessler & Spector, 2011; Kass et al., 2001; Reijseger et al., 2013; van Hooff & van Hooft, 2014). The study by Staats and Gino (2012) investigates the costs and benefits of specialization and variety in repetitive work tasks. Specialization means that a task can be performed quickly without costly changeovers to other tasks when a worker performs many tasks during a short period of time. Variety, however, means that a worker can identify new best practices over time and transfer those best practices to other tasks. In addition, there are increasing motivational benefits from performing a variety of tasks instead of only a small number. (Staats & Gino, 2012) Earlier research has, on the one hand, argued for the benefits in productivity from specialization, meaning making workers skilled in performing a particular task and minimizing changeovers. On the other hand, researchers argue that to execute a variety of tasks may improve performance because of the increased motivation and commitment of the employees in their job. (Staats & Gino, 2012) The findings of their study suggest that specialisation is more

suited for increased productivity in a shorter time period, whereas variety is more suited for increased productivity in a longer time period (Staats & Gino, 2012).

3.5 Commitment and motivation

The study by Sihombing et al. (2017) showed that organizational commitment can be influenced by work motivation since employees that are motivated will most likely become committed to their work. In their article, with reference to Schein (1996), they state that employees that are motivated to work are crucial for the success of the organization. This means that understanding the employees and what motivates them can be a way of increasing organizational commitment. Therefore, employee's motivation has a positive effect on organisational commitment. (Sihombing et. al., 2017) According to Sihombing et. al. (2017), organizational commitment has by previous studies been linked to job satisfaction, performance and the intention for the employees to leave their job. In addition, Sihombing et. al. (2017) mentions with reference to Davenport and Prusak (1998), that companies are more prone to employ people that have experience rather than people with education because companies value the knowledge that has been developed and proven over time.

4. Empirical findings

This section of the thesis presents the empirical findings of the study. Part 4.1 provides the empirical findings of the Beta manager and employee interviews. Part 4.2 provides the empirical findings of the Omega manager and employee interviews.

4.1 Company Beta

This section presents the findings of company Beta, from both the manager and the employee.

4.1.2 Interview with manager

During the interview, the manager of AP from company Beta were asked a series of questions. Her answers and further relevant information provided during the interview are described below.

The manager was asked what attracts employees to work at their company within AP. To this she answered that it is mostly senior people or younger people with high school degree, or it is newly examined university students. She mentions that it is often people that do not think they want them to know the whole picture of what their part in the company is. They often have the feeling of just wanting to do their job, get their salary and then go home for the day and continue the next day. However, later she mentions that when she has something called “personal development” talks with the employees, many of them are looking for the broader picture of what they are doing and what their part in the company is. She further mentions that the biggest challenge for her as a manager is to retain people since the work tasks can be quite repetitive and boring. She also mentions that during the last couple of years there has been a shortage of accountants but a surplus of controllers. She means that almost everyone that has a university degree wants to work as a controller. According to her, this has made it very hard for companies to hire people for positions in AP. The manager continues to talk about that one possibility could be to only hire people with high school degree and just let them do their job. However, then it would not be possible for them to move forward in the organization since it would require a university degree. One needs a university degree to be able to work as a controller and that becomes a problem for the high school educated people. She concludes that wherever you work, at any position you need the mix of senior and junior people. Senior people are not always the fastest working people, but they represent a stability

in the organization. Junior people more often represent innovation and a willingness to move forward and a good combination of senior and junior is important but could be hard to achieve.

The managers perception of the motivation amongst the employees is that it is good, and that people are committed to their work. She mentions that since 2016 they have been on a journey from earlier being simply a registration function where people only registered invoices to now handle several other tasks. She noticed that there was a high employee turnover, and this was partly an effect of the boring and repetitive work of registering invoices. There is a value of retaining people that has been working within an organization for some time since they know the systems and the processes, and it takes considerable time to learn how the systems and processes work. She says that today the work consists of around 80 percent data handling which means producing the numbers, registering invoices and matching the purchase orders to the invoices and 20 percent of the work is more qualitative type of work tasks. According to her, employees today has a larger need of developing and broadening their work tasks. She concludes that the work motivation is high but she as a manager must put a considerable amount of effort in order to keep the motivation high.

She talks about the importance of seeing the broader picture of one's work tasks and that in Sweden people are generally more self-propelled and they want to take responsibility, and if they are not given responsibility, they feel suppressed. Even if you work as a finance assistant you are normally very qualified and then it is not enough to just register invoices. She continues to state that it is because of this that she wants to remove some of the boring and repetitive tasks. Instead she wants to use these qualified people for analysis and problem solving and, in this way, retain people.

The manager states that she is currently satisfied with the work performance of the employees, but in 2016 she was not. According to her, they were working very strange where nobody knew what their colleagues was doing, everybody just kept to their own assigned countries and she saw that some people were working until late in the night and others went home at 4 pm. She started to change their way of working and she started to involve everyone in the making of process charts for the AP processes. This led to an understanding and a commitment amongst everyone in the AP department.

We have learned that they work with Lean and she said that the largest contribution of Lean to the AP department was the commitment that working with Lean created. She means that it involved everyone in her department, and no one could escape, everybody had to participate and contribute, and this created commitment. She is completely confident that this created an increased level of motivation. The next step in retaining the motivation is to continue to work with the process charts and to see where in the process's improvements can be made to decrease the "bottle-neck" effect. She links the work with the process charts to the increased commitment and that the employees feel proud of their work with their process charts.

One thing the manager mentions is that they have started to work in a rotating manner with all the countries. This means that no one only works with some specific countries, instead the employees rotate and work with all the countries. She means that this has helped the department in several ways. One thing is that since Lean is customer based, the customer service should not be affected by the absence of some employees. This means that if someone is sick or on holiday, the customer service should not be suffering. When rotating the countries, everybody within AP can help in the countries that needs help and the customer service remains high. One other advantage is that it becomes a knowledge sharing process since people with different ways of working can help each other to find new ways of working more efficiently.

The educational level of the staff is a mix of high school accountants and people with university degree. However, she mentions that to be able to work within AP one does not need to have a university degree but when thinking in the long run and with the intention of retaining people one do need a university degree to move forward in the organization. She further mentions that there are a lot of companies that are outsourcing their shared service centers to low wage countries but that many of these companies have started to insource them again since they have found out that it does not work. The thought that no education is needed to perform the tasks within AP does not hold because when an error or a deviation appears, an uneducated employee does not cope with solving the error. The solution, according to the manager, to be able to keep higher educated employees at AP is if there was some sort of trainee program that would prepare the employees to move on to more qualified positions within the company. Nobody with a higher education would be interested to work within AP. She talks about if the work tasks would consist more of qualitative tasks and less

about handling data and concludes that then the company can retain the talented employees and could gain more from having them employed.

The AP department had seen a high employee turnover and, according to her, one factor that affects this is the boring tasks, but another factor is that it is hard to find competent people. She talks about that they often hire consultants that has a good CV but when they start to work it becomes apparent that they do not have sufficient knowledge and that they are doing severe errors that cannot be viable to retain the people. She believes that removing boring and repetitive tasks could reduce the employee turnover. She says that it is not about reducing staff but to retain and use the talented people that exists within the company.

We further discuss the effects of reducing data handling and introducing more qualitative type of tasks and how this would affect work motivation. She believes that the motivation would increase significantly for those who thinks it is enjoyable to perform such tasks. For those that do not enjoy performing qualitative tasks, one would probably have to fire them because they would in the long run not contribute to the company. We also talk about the effect on the performance and she states that motivation and performance is connected, if you are motivated and committed then your performance will increase. She links the changed way of working since 2016 with an increased level of motivation since if the employees are using their mental capacity to a larger extent people will be more motivated and will stay at their job for a longer time.

Just out of curiosity we ask how much they expect that training a new employee will cost. Her answer is a whole annual salary.

We talked about what would happen to the employee attraction and retention if the work tasks would be more qualitative and less about handling data. She explains that this change in work tasks would increase the attraction and retention of the employees, especially when it comes to younger employees. She says that qualitative tasks could be to more thoroughly analyze the reconciliations that they are performing today. She means that today they are only validating the accounts because they do not have time to analyze them due to the short deadlines. This means that they are forwarding reconciliations that has not been analyzed and they are not completely sure that they are correct and what it depends on. Further we talk about how the salaries are linked to more qualitative tasks and less data handling. The

manager states that the salaries would have to be higher if the work tasks are more qualitative but on the other side the company could fire a lot of people because they would not be necessary in the long run. This would give a lower net salary cost for the company and the company would save money. The tasks that could be performed instead of boring and repetitive tasks, if the employees had more time, would be more analytical type of tasks. She also says that they would be working with things that helps the AP department to become more efficient.

4.1.3 Interview with employee

During the interview, an employee working with AP from company Beta were asked a series of questions. Her answers and further relevant information provided during the interview are described below.

The employee states clearly that she is motivated in her work due to both working with daily tasks like registration of invoices but also since she is part of a lot of projects. These projects deal with driving the AP function forward and to develop the department. She says that the analysis involved in these projects is what interests her. These projects create a commitment which increases her motivation in both performing the fun tasks like the projects but also the more repetitive and not so fun tasks of registering invoices. The combination of both repetitive tasks and the projects is what keeps her motivated. She also mentions that receiving feedback is important for her because it acknowledges her good work when she has been successful with some project. However, she mentions that all people are not motivated by participating in projects. For them it is enough to just perform their work tasks in a good way, get their salary and go home.

During the past couple of years there has been a change in what type of tasks they are performing, according to the employee. She means that there has been a lot more emphasis on projects and the change from being only a registration function to becoming a department that deals with more different kinds of tasks like projects in developing the department. Those projects do not have to be revolutionary, but they add value to the department and increases the commitment amongst the employees. She states that an SSC is much about performing repetitive tasks and for some people this is not enough. They want something that keeps them motivated and, according to her, these projects are a good way to do that.

One of the projects they have started with is implementing Lean and more specifically 5S, which she says was started by Toyota in the 1930s. She states that 5S stands for; Sort, Set in order, Shine, Standardise and Sustain. 5S is a start of the work with implementing Lean and this work has created a large commitment within AP. Another part of Lean is something called Pulse-meetings. These are meeting that are kept every morning and afternoon where the employees can talk about what will happen during the day, if someone is on meetings, if someone is sick and who will be the backup for that person during the day. According to the employee, she believes this is another way to create commitment and to share knowledge between the colleagues. Everybody can say what they want and share information, and this creates a commitment.

The work tasks she finds to be of a more qualitative type and that are interesting for her is when there has been an error of some kind. This means that she must use her knowledge and experience to be able to correct the error. Other things that are interesting for her is the work with the projects. The projects drive her motivation and creates commitment. It also gives her a variation of tasks to perform which she finds motivating. The removal of boring tasks and the implementation of more enjoyable and challenging tasks would significantly increase her motivation. According to her, a newly examined student would probably not have any difficulty in solving the problems that could occur. However, they lack the experience, and this gives the more experienced employees an advantage since they know the systems and the effects of different things within the systems. She means that a combination would be best since the experienced employee know the systems, but a newly examined student can contribute with new perspectives of seeing things.

We talk about employee turnover and during the last couple of years there has been a lot of employee turnover. This is due to, according to her, that many newly examined students see the work within AP as a first job of their career and then when they have been there for some time, they will start looking for another job. They have their goal set of becoming a controller at a large international company and that is where they will go when they feel it is time. Some of the people that have quit their job at AP has moved on to the reporting team within the department, but not everyone. Another reason is that people come to the company and start working at AP but after some time they realize that this kind of work was not what they wanted and therefore they move on to another company. She says that if the work tasks would be changed from repetitive and boring to becoming more qualitative, this could

contribute to retaining the employees but not everyone. Those that have their goals set on becoming a controller will still move on. However, those that do not want to become controllers could be retained better if the tasks would become more qualitative since they will get the qualitative tasks at AP.

The most important thing, according to her, that attracts people to work at AP is because of the company itself. Company Beta is a large company with a lot of possibilities for the employees to develop and grow and this is very attractive for people. According to the employee, AP is not the main reason for attracting employees to work at AP.

According to the employee, the things that could be done if there were more spare time would be more analysis. She says that at the moment they are reconciling the accounts at the monthly closings, but they do not have the time to analyze what is in the accounts. They do not know if there are old invoices that should be cleared. If there were more spare time this would be tasks that could be performed and would create value for the company.

4.2 Company Omega

This section presents the findings of company Omega, from both the manager and the employee.

4.2.1 Interview with manager

During the interview, the manager of AP from company Omega were asked a series of questions. Her answers and further relevant information provided during the interview are described below.

The manager of company Omega quickly mentions their success with transforming a lot of their AP daily workflow to a digitized and close to automatic EDI-flow. She mentions that about 65% of the invoices they receive go automatically through their EDI-flow, with no humans interacting with the invoices from their end. Furthermore, she mentions that it is not practical to have the supplier go through an EDI-flow if the supplier only sends them a low number of invoices. Given the nature of construction companies, she explains, which often must change suppliers based on where the current work projects are, they have many

suppliers which they only use for short time-periods. Therefore, it is difficult to have a large EDI-flow if the company is a project-based construction company.

For the rest of the invoices, the only available method to collect and register them, to her knowledge, is by manually typing them in by hand from a PDF-file. Thus, given that there is currently no known way of having robots accurately and consistently collecting information from PDF-invoices. She mentions that they, like most other large companies, uses software for automatically extracting data from invoices (such as Readsoft). However, she emphasizes that since those software's do not have perfect accuracy, a human will always have to check and confirm that the information registered in the ERP-system is the same as in the invoice. In conclusion, she says that they have not had any success with removing the manual data collecting process with PDF-invoices, and that she does not know of any way that it can be solved.

Although they have not had any success with automating the manual data collecting process of their PDF-invoices (except having a lot of them go through an EDI-flow), she does mention that they have had success with robotizing a lot of other processes. For example, they have automated the process of registering new suppliers. She mentions that it was manual boring work that nobody wanted to do, which had poor consequences such as people procrastinating such work tasks. When evaluating whether robotizing such processes are worth doing, she says, it is important to not only consider the time saved but also the increased quality of robotizing the process. For instance, instead of having employees search over the web for information for suppliers and copying and pasting the information manually, their robot collects the information from official databases on companies. This ensures the quality of the data. Other examples of what they have managed to robotize include matching debit and credit invoices and sending reminders to suppliers which have failed to leave sufficient information in their invoices.

When asked about if she thinks employees are attracted to the job, she says that they have a low turnover of staff within the whole SSC unit and that they do not have any issues with attracting candidates when they announce job offers. Furthermore, she mentions that the variety of work tasks and the ability to progress in their careers within the company contributes to an attraction towards the company.

When asked about how the motivation is among the employees, she mentions that she thinks it is good in general. Furthermore, she mentions that one of the reasons it is so high is because the high amount of digitalization and robotization, which enables the employees to work with more rewarding and complex work tasks. Moreover, she mentions that another large motivation factor is when the employees understand how their performance affects the company and why it is important. Another thing which drives motivation, she says, is when the employees get the ability to see the broader picture of what they are doing and where the numbers end up. As an example, she mentions the end of the month when the company is closing their books and the employees get to summarize and send in the numbers which they have worked with. When asked about the performance of the employees she mentions that she is very satisfied with the performance. She says that Omega has done tests multiple times in order to benchmark themselves against competing alternatives, such as outsourcing, and the result has been that they manage to perform their work tasks with high efficiency and high quality. For that reason, she is very satisfied with her employees.

When asked about the education of the staff, she says that they have a variety of staff with an educational background from either high school, a higher vocational education program or a background from college. Historically, most of the staff has had an educational background from high school, and that is still the case today. However, when looking at the staff being employed today, more of them have a background in college. When looking at the staff being hired today, the educational background is fairly evenly split between high school, a higher vocational education program or a background from college. When asked about whether a higher education of the staff would be preferable, she says that in general a higher education is always preferred, however, having the right attitude and personality are important factors to consider as well. Furthermore, she mentions that since they are mainly working with accounting on a basic level, a high degree of education is often not necessary. However, she says that they try to have a good mix of people from different educational backgrounds. One of the benefits of this is that some more advanced projects, such as analytical tasks or training of the staff is more suitable for employees with a more advanced educational background.

When asked about if the work tasks would be less about handling data and more about analyzing data, she mentions that it would require more qualified personnel in order to handle such work tasks. Furthermore, she says that increasing the amount of analysis in the job could increase the motivation among employees, however, she emphasizes that some employees are

not interested in analyzing data and prefer job tasks of a simpler nature. Furthermore, she mentions that increasing the complexity of the work tasks would increase the salaries of the staff. With regards to turnover, she mentions that, in her experience, staff perceiving that they receive an insufficient salary is one of the strongest drivers of turnover among staff. Moreover, she mentions that employees who feel underpaid tend to get strongly demotivated.

4.2.3 Interview with employee

During the interview, an employee working with AP from company Omega were asked a series of questions. Her answers and further relevant information provided during the interview are described below.

The employee has worked for two years at company Omega and it is her first job since graduating from the university. When asked about what motivates her in her job, she focuses on the ability to develop as a professional and work with more analytical tasks on top of the more repetitive tasks. As an example, she has been given the opportunity to specialize in value added taxes (VAT), which offers some more analytical job tasks than simply manually registering invoices. Furthermore, she says that her motivation would increase if the job consisted of working more with analytical tasks and less with repetitive tasks. However, she also mentions that not everyone appears to be interested in more analytical work tasks. As an example, she says that more experienced employees with families at home does not seem to mind repetitive work tasks, as advancing in their careers does not appear to be their main priority. Besides the ability to develop as a professional, she mentions that one of the greatest drivers of motivation for her in the workplace is the fact that her employer listens to her suggestion and considers her suggestions for improvement in the workplace. Finally, she mentions that she does not consider financial compensation from the employer to be important for her motivation as an employee.

When asked about education she says that there is a mix of employees with different background such as an educational background within business from either high school, a higher vocational education program or a background from university. Furthermore, she says that education does not seem to have any impact on the ability to advance within the company. As an example, she says that one person who has had a successful career in the department with a lot of development does not have an education in business at all. When asked about employee turnover within the AP function, she says that there has been a lot of

turnover in her department. She says that the primary reason for the high turnover presumably is the fact that working at an SSC tends to be an entry level job which employees use to get experience which they can leverage into more advanced jobs in the future. When we ask specifically if she thinks there is a connection between a high degree of repetitive work tasks and the high turnover, she says that she does not think that a high degree of repetitiveness in the work tasks has been a main driver for the high turnover. However, she says that a high degree of robotization and digitalization, which has decreased the amount of repetitive work tasks, has probably led to people staying who would otherwise have quit their job.

5. Analysis

This section presents the analysis of the empirical findings. Part 5.1 presents the analysis of the manager interviews combined. Part 5.2 presents the analysis of the employee interviews combined.

5.1 Manager

This section provides the analysis of the manager interviews.

5.1.1 Educational level and motivation

Both managers at the respective companies says that there is a large variety in the educational background among the employees at AP. Furthermore, both managers agree that a higher educational background (university degree) is often necessary if the employee is supposed to do more analytical tasks and wants to advance within the company to more advanced positions. The manager at Beta states that it is very difficult to hire people with university degrees, since they tend to prefer more advanced jobs. On the contrary, the manager at Omega does not see any issues with hiring personnel with advanced educational backgrounds. This could be a result of their high degree of automatization, which has enabled their employees to focus more on analytical tasks, which should attract employees with advanced educational backgrounds. Both managers seem to think that more analytical and qualitative tasks would attract employees with educational backgrounds from college. They also state that a mix of the educational level of the employees is preferred since they prefer diverse team compositions for problem solving. However, both acknowledge that this would result in an increase in salaries.

When asked about drivers of motivation, both managers seem to consider it very important that the employee understand the impact their work tasks has on the company, in order to find a meaning in their jobs. It seems like the employees are looking for some sort of intrinsic motivation, consisting of a deeper understanding of their part in the work processes. As for extrinsic motivation, consisting of salary amongst other things, the manager at Omega seems to believe it is one of the greatest causes of employee turnover in general, but does not link it directly to motivation. On the contrary, the manager at Beta does not seem to think that salaries are a main driver of either motivation nor turnover at her company. Another difference is that the manager at Omega seems to put more emphasis on their automation as

one method of increasing motivation among employees, since it removes monotonous work tasks. This could be because Omega are more advanced when it comes to automating boring work tasks, which is why she identifies it as an important part in maintaining a high degree of motivation among employees.

5.1.2 Employee turnover, motivation and the removal of boring tasks

The manager at Beta had experienced a lot of turnover in 2016, whereas the manager at Omega did not see a high level of turnover. The manager at Beta mainly attributed the high turnover to an uneven load in work tasks for some employees and a high degree of repetitive tasks. The manager at Beta claims that it costs about an annual salary worth of costs before an employee is fully productive, thus, maintaining a low employee turnover is crucial. The manager at Beta claims that employees are looking for more intrinsic motivation in their work. It seems like the company have seen that to be able to retain the employees and fill the intrinsic motivation gap, there must be made some changes in how they are working. The manager at Beta mentions that since 2016 they have been working more as a team with process charts where everybody had to participate and contribute. This led to an increased commitment and motivation which is consistent with the literature that increased commitment will lead to an increased motivation. One main theme in increasing the motivation of the employees and lowering the employee turnover would be to remove boring and repetitive tasks and implement tasks that creates commitment and increases the intrinsic motivation. Given that Omega has had a low degree of employee turnover, the manager does not appear to have put a lot of thought or focus on how to reduce it or maintain a low turnover. However, she does say that she considers one of the strongest drivers of employee turnover to be employees who feel like they are being underpaid.

5.1.3 Removal of boring tasks and its effect on motivation

Both managers seem to think that reducing the amount of data handling and introducing more qualitative tasks would increase the intrinsic motivation. This is consistent with the theory that when removing boring tasks, the satisfaction of the employees will increase. However, both managers also state that there are employees who are not particularly interested in analytical tasks and are fine with mainly performing work tasks which are typically seen as repetitive or monotonous. This is not in line with the theory presented in this thesis. However, since people are different and are motivated by different things, this is not very surprising.

Both managers identify a strong connection between performance and motivation. This is also stated in theory that when you feel committed and motivated your performance will increase. Due to the changed way of working since 2016 at Beta with the implementation of other tasks more than just invoice registration, meaning a variety of tasks instead of only repetitive and boring tasks, the performance of the employees has increased. Furthermore, the implementation of a variety of tasks to the work portfolio at Beta has positively affected the retention of the employees.

5.1.4 Commitment and motivation

In the interview with the manager at Beta, she put a lot of emphasis on work commitment in order to keep the employees motivated. In contrary, the manager at Omega did not mention commitment in her interview. Thus, the analysis in 5.1.4 is only based on the interview with the manager at Beta. According to the manager at Beta, commitment seems to be a key in motivating the employees. The introduction of Lean in her department is a clear indication of this fact. The largest contribution of the work with Lean was the commitment it created. According to theory, commitment will lead to increased motivation and this will in turn lead to an increase in the intrinsic motivation since the people are doing things because they feel commitment in doing the tasks. This commitment could be seen as doing the things, partly because they must according to their employment, but also because it is inherently fun to work when feeling committed and motivated. However, a problem arises, how could the motivation and commitment be retained? According to the Beta manager, she believes that continuing to work with the process charts, which made the employees committed and proud, will lead to increased efficiency and continued high motivation.

When using Lean in the AP department, they have started to work in a rotating manner with the countries, meaning the employees rotate in which countries they work with. One reason for this was to create an effective back-up plan when people are on holiday or sick. Another reason is that within Lean the customer service comes first. The customer should not feel a decrease in service when someone is on holiday or is sick. The manager also mentions that Lean will help to share knowledge and understanding of the colleague's way of working. However, there could be other reasons for this rotating way of working. One reason could be that by letting the employees work with countries they are not fully familiar with, they become challenged in their work and they are also performing a variety of tasks. This could lead to an increase in commitment because the employees perform a variation of tasks. This

will, according to theory, lead to an increase in the commitment and performance when performing a variation of tasks due to an increase in the motivation.

5.2 Employee analysis

This section provides the analysis of the employee interviews.

5.2.1 Commitment and motivation

During the last couple of years at Beta, the work portfolio has changed in some respects. More time is spent on projects which the employee believe has increased the motivation of the whole AP because it creates a commitment and all the work tasks are not monotonous anymore. The employee states that she becomes motivated from working in different projects. Her involvement in the projects is increasing her commitment and this in turn leads to an increase in her intrinsic motivation. This is similar to the experiences of the employee at Omega, who has also experienced an increase in motivation from working in projects and spending less time on monotonous work tasks. The employee at Beta also emphasizes the ability to work with a large variety of tasks as a driver of motivation, whereas that does not appear to be a main driver of motivation for the employee at Omega. This variation of tasks helped increase the commitment and in extension increase the intrinsic motivation of the employee at Beta.

The employee at Beta emphasises one project in particular, the 5S project, which she says created a lot of commitment. The 5S project created a commitment since everybody at AP was involved in the project and because something happened at the department that was new and exciting. This also in some way creates a variation of the work tasks the employees are performing and this leads to an increase in intrinsic motivation. She also said that she experienced an increase in the team spirit from the Pulse-meetings. Her perception was that people felt committed to participate in the meetings and share their knowledge. On the contrary, the employer at Omega seems to focus more on the analytical depth of the tasks rather than the team spirit of the work tasks or projects as a source of motivation.

When asked about motivation, both employees at the two companies bring up feedback as a major driver of motivation. Positive feedback is closely tied to increased motivation since you are rewarded with kind words when you have performed a good job. Negative feedback

on the other hand is linked to a decrease in feedback since you are being corrected for not performing a good job. However, receiving feedback is in the interest of the employee since it helps the employee to perform better the next time.

5.2.2 Educational level, experience and motivation

For both employees at the two companies, tasks that demand the employees to think and use their knowledge and experience contribute a lot to motivation since they find those tasks challenging. Challenging tasks creates a commitment and gives the work portfolio a variation of work tasks. The commitment and the variation of tasks strongly influences the motivation of the employees. For questions regarding education, neither of the employees seemed to think education was important in order to be able to develop at the company or being able to handle the work tasks at AP. The employee at Omega seemed to value experience over education, whereas the employee at Beta seemed to consider both equally valuable. Theory says that companies are more interested in experience than in education and in this case, we believe this to be true. It does not seem likely that a newly graduated student from college could solve the work tasks as well as someone with a lower education but more experience, which the employee at Beta suggests. This should give the company a huge incentive to retain the employees better. The combination of newly examined employees and more experienced employees would be the best way to tackle future problem solving since the new employees can contribute with new perspectives and the experienced employees have the experience and knows the systems.

5.2.3 Employee turnover and motivation

Both employees had experienced a high degree of employee turnover. Both of them mainly attributed the high turnover to the view that working at AP is an entry level job, which leads to a high turnover since employees sees the job as a steppingstone to more advanced jobs. A change in the work tasks could be one way of retaining people that does not plan to move to a higher position after a short while. The tasks would then have to include a more variation of tasks and become more qualitative. This means more analytical and challenging tasks that creates commitment amongst the employees. This would reduce the gap between the work at AP and the work of being a controller and it would increase the intrinsic motivation of the employees. Both employees also mention the size of the respective companies as a main driver of attraction for the job, since large companies tend to have more possibilities for development. To be able to make more people interested in working at AP and as an effect

reduce the employee turnover, the work tasks would have to be changed to becoming more challenging and interesting.

5.3 Summary of analysis

The chart below shows the answers from the interviewees and what kind of theories the answers are linked to. When the box is filled in with “X” it means that the theory is present and confirmed in the answers of the interviewees. If the box is filled with several “X”, then the theory has a stronger presence in the answer, the scale goes from one to three X’s. This is to provide a clear understanding of the analysis section linked to the theories.

Table 2.

Theory	Manager Beta	Employee Beta	Manager Omega	Employee Omega
Intrinsic motivation	XX	XX	XX	XX
Extrinsic motivation	X	X	X	
Feedback		X		X
Variation of task	XX	XX	X	XX
Specialization of task				
Commitment	XXX	XXX	X	XX
Education	X			
Experience	XX	XX		

5.4 Theory analysis

In this section we compare theory and the interviews of the case companies to find similarities and differences.

The interviews have revealed several similarities between theory and the reality of the operations of the case companies. Based on Chart 2 it becomes clear that all the respondents recognize an increase in intrinsic motivation due to the increase in qualitative and engaging

tasks. This is completely in line with the theory of intrinsic motivation of Ryan and Deci (2000), Kim (2018), Frey (1997) and Lambright (2008) where they state that the intrinsic motivation will increase when tasks are more interesting. It is mentioned by the respondents that some of the tasks are repetitive and boring to perform and that they see these tasks as something they just must do. This is in line with the theory of extrinsic motivation of Ryan and Deci (2000), Kim (2018), Frey (1997) and Lambright (2008) where they state that extrinsic motivation appears when tasks are performed because of a separable outcome. It becomes very clear that this is the case in the Beta employee interview where she says that she sees the boring work as a part of the job, and she can look forward to work with more interesting tasks when she is done with the boring tasks. The fact that the employees are paid for performing these boring tasks are another type of separable outcome for performing the boring tasks. However, the employee of Omega clearly states that she is not motivated by the salary to perform her work. She also mentions that she works with a lot of VAT questions and that this motivates her. This could be the reason for her lack in extrinsic motivation, she has a lot of intrinsic motivation that compensates for her lack of extrinsic motivation.

The empirical data is closely linked to the SDT-theory since intrinsic motivation is present in all the interviews and extrinsic motivation is present in all but one interview. The CET-theory has been discussed by some of the respondents, mainly about how their motivation is affected by feedback and how it motivates them. In addition, communication is mentioned by the Beta respondents as a reason for increased intrinsic motivation due to the Pulse-meetings. Communication is not mentioned by the Omega respondents. It could be because the respondents do not feel communication important or because it is self-evident for them and therefore, they do not mention it. However, all respondents fail to mention how for example rewards would affect their motivation. According to the theory of CET, feelings of competence and autonomy must be present for a person to feel an increase in intrinsic motivation. We have seen from the interviews that employees have felt that they had to think and use their knowledge in order to solve problems and questions and to participate in projects. This increased their feelings of competence since they performed challenging tasks. In addition, none mentioned that they felt particularly controlled by the manager when they perform these challenging tasks. This gives an indication that their feelings of autonomy would have increased at least a little bit.

The theory of OIT is present in the empirical data since the respondents do acknowledge that some tasks does not make them motivated at all. Other tasks motivate them for the separable outcome, like looking forward to work with other more interesting tasks. These extrinsically motivated tasks could be described as integrated regulation because the employees have integrated the work with the repetitive tasks and understood the importance of them. The repetitive tasks are a part of their work description and they are paid to perform them. This gives the employees a clear reason for integrating them.

Feedback is mentioned by both employees. The employees mention that they are motivated by positive feedback and that it motivates them to continue to perform well in the future. This is in line with the theory of Robin and Groyberg (2015) and Burgers et. al., (2015) where they state that people are motivated by positive feedback and that this can increase the performance and motivation.

A variety of tasks seems to be of high importance for the people working at AP. According to the theory of Staats and Gino (2012) a variation of tasks can increase the performance as an effect of increased motivation and commitment. The employees are being motivated by the variation in work tasks because the tasks consist of both repetitive and qualitative tasks and this increases the motivation and commitment. The specialization of tasks is not mentioned by any of the respondents. This is not surprising in relation to motivation because according to the theory of Staats and Gino (2017), specialization of tasks does not increase motivation. However, for people working at an SSC to not mention specialization of tasks at all in any context is surprising since the whole reason for the existence of an SSC is to be specialized on a few types of tasks.

It has become very clear that commitment in the work has a positive effect on the motivation of the employees. The companies have seen changes during the last couple of years in the work tasks to include more interesting and challenging tasks which has created a higher degree of commitment and in turn an increased motivation. According to the theory of Sihombing et. al. (2017), commitment in the tasks you perform, will increase your motivation to perform the tasks.

A high education of the employees does not seem to be important for the ability of the employees to perform the tasks at AP. This is consistent amongst the respondents and with

the theory of Davenport and Prusak (1998). Their theory states that companies are more prone to hire experienced personnel rather than highly educated. Even so, the Beta manager do mention that educated employees are attractive because to be able to move forward to other positions within the company, a higher education is required. In this way the company can retain the employees they have taught. This is inconsistent with the theory of Davenport and Prusak (1998). However, only the respondents of Beta company states that they see experience as important. The respondents of Omega do not mention this at all. The absence of the importance of experience is not in line with theory. This could be due to either that they forgot to mention it and that we did not ask about it or it could be that it is not important in their company. The information from the interviews have some similarities and differences with the theory of Davenport and Prusak (1998). This could be due to that the mindset of the companies have changed since 1998 and that both education and experience is attractive for the companies.

6. Conclusion

The empirical material collected in this study suggests that the motivation of the employees working within an SSC at AP experience an increase in their intrinsic motivation when they feel committed to their work tasks and when they perform a variety of tasks. The introduction of more qualitative tasks and the reduction of repetitive tasks seems to be a way to be able to increase the motivation of the employees at AP. However, some employees do not feel an increase in motivation from performing challenging tasks, they are instead quite comfortable in performing what is necessary to retain their job. Even so, we have seen from the interviews that all employees seem to have felt an increase in motivation when the tasks have become more qualitative. In addition, a high educational level of the employees is not required to perform the tasks at AP but could be important if the company wants to retain and develop the people within the company. The importance of the level of experience seems to be important on a company specific level. Finally, the study suggests that the reason for an SSC existence, the specialization of tasks, is in itself not motivating for the employees.

7. Discussion of findings and contributions

The aim of this thesis is to investigate how the removal of boring tasks affect the motivation of employees working at AP within an SSC. Some of the tasks performed by an SSC has characteristics of being repetitive and boring. When people are not committed to their work, their motivation will decrease, and this could in turn lead to the employees leaving their job. This makes it interesting to study and understand what affects the motivation and what could be done to increase the motivation of people working at AP.

The study suggests that to increase the motivation amongst employees working at AP in an SSC, there must be a change from boring and repetitive tasks to include more interesting and challenging tasks. This is to increase the level of commitment of the employees and to create a variation in the tasks that the employees are performing. Our study suggests that these are factors that will increase the level of intrinsic motivation and in turn lower the employee turnover. However, some employees do not value the change from repetitive tasks to more qualitative and challenging tasks. They are satisfied with performing what is necessary to retain their job. Even so, our study has found that these people who are happy with performing repetitive tasks, do feel an increase in motivation from performing other tasks than the repetitive ones. The level of their involvement in these tasks just must be set at a level that they feel motivated to perform them. The study also suggests that one way for reducing the number of repetitive tasks, and thus increase motivation, would be to increase the automatization and digitalization of the repetitive tasks.

Something interesting that the study points to is that a high educational level of the employees is not required at AP due to the simplicity of the tasks performed by the AP function. However, a higher educational level is preferred since then the employees could move on to other departments and positions with their knowledge and experience they have gained from working at AP. In this way the company will retain the employees they have taught and keep the experience within the company. The study reveals that experience is valued amongst some companies but others not to the same extent. This is not what we expected since the theory states that experience is valued high amongst companies due to the employees proven knowledge.

The study has found another interesting thing. The specialization of tasks is mentioned nowhere in the interviews despite of it being the reason for the SSC existence. The whole idea with an SSC is that it should be specialized in performing specific tasks efficiently. None of the respondents mentions that specialization of tasks is motivating them. The fact that specialization of tasks is not intrinsically motivating is coherent with the literature. However, if specialization of tasks is not motivating, then the whole reason for the existence of an SSC is not intrinsically motivating for the employees working there. This leads to the contribution of our study; the foundational existence of an SSC is not motivating the people working there. However, as the study points to, if the tasks that the employees are performing would change to become more varied and create increased commitment, then the intrinsic motivation would increase.

8. Limitations of the study and further research

The study has some limitations that will limit the significance of the findings of the thesis. The first limitation is the low number of case companies and interviews which is limited to two companies and four interviews. The reason for the low number of case companies is because not too many companies have SSC of the scale that we were interested in and within an acceptable distance from our homes. We valued the opportunity to do on-site interviews to better connect with the respondent and to be able perform an interview on a personal level since we believe this would ease the proceedings of the interviews. The reason for only performing four interviews was that the companies did not want to provide more respondents since this took time from their daily work. In addition, we experienced a lack of time to perform further interviews since the interviews we performed were quite extensive in our point of view. This limitation will affect the generalizability of the result and the result should be applied to other cases with caution.

Another limitation is that one of us has previously been employed by one of the companies and have had two of the respondents as manager and colleague. This could have created the problem that the manager and employee did not want to talk about certain things and not develop the questions on a deeper level. We did not experience any problems arising from this during the interviews, but we still do not know if the answers were affected by the previous work relation. Therefore, the results of the study should be used with great caution and only as a direction of how the removal of repetitive tasks affects motivation.

One of our suggestions for further research, due to our limitations in accessing empirical data, is to conduct the same study covering a much larger sample of case companies and interview respondents. This would have given the study a significantly higher reliability and generalizability. In addition, we recommend the future research to not include companies to which the researchers have work relations to the respondents. This would also significantly increase the reliability and generalizability of the study. Another suggestion for future research is to conduct a similar study but where the case companies are of a smaller size. This could help the understanding of what motivates the employees working at AP within these companies.

References

- Barmack, J. E. (1939a). Studies on the Psychophysiology of Boredom: Part I The Effect of 15 Mgs of Benzedrine Sulfate and 60 Mgs of Ephedrine Hydrochloride on Blood Pressure, Report of Boredom and Other Factors, *Journal of Experimental Psychology*, vol. 25, no. 5, pp.494–505.
- Barmack, J. E. (1939b). Studies on the Psychophysiology of Boredom: Part 2 The Effect of a Lowered Room Temperature and an Added Incentive on Blood Pressure, Report of Boredom, and Other Factors, *Journal of Experimental Psychology*, vol. 25, no. 6, pp.634–642.
- Beta. (2018). Beta Annual Report 2018.
- Bruursema, K., Kessler, S. R. & Spector, P. E. (2011). Bored Employees Misbehaving: The Relationship between Boredom and Counterproductive Work Behaviour., *Work & Stress*, vol. 25, no. 2, pp.93–107.
- Bryman, A. & Bell, E. (2015). *Business Research Methods.*, 4. ed., Oxford Univ. Press.
- Burgers, C., Eden, A., van Engelenburg, M. D. & Buningh, S. (2015). How feedback boosts motivation and play in a brain-training game, *Computers in Human Behaviour*, vol. 48, pp. 94-103.
- Chung, K. H. & Vickery, W. D. (1976). Relative Effectiveness and Joint Effects of Three Selected Reinforcements in a Repetitive Task Situation., *Organizational Behavior & Human Performance*, vol. 16, no. 1, pp.114–142.
- Deci, E. L. & Ryan, R. M. (1985). *Intrinsic Motivation and Self-Determination in Human Behavior.*, Plenum P.
- Fisher, C. D. (1993). Boredom at Work: A Neglected Concept, *Human Relations*, vol. 46, no. 3, pp.395–417.
- Frey, B. (1997). On the Relationship between Intrinsic and Extrinsic Work Motivation, *International Journal of Industrial Organization*, vol. 15, no. 4, pp.427–439.
- Kass, S. J., Vodanovich, S. J. & Callender, A. (2001). State-Trait Boredom: Relationship to Absenteeism, Tenure, and Job Satisfaction, *Journal of Business and Psychology*, vol. 16, no. 2, pp.317–327.

- Kass, S. J., Vodanovich, S. J., Stanny, C. J. & Taylor, T. M. (2001). Watching the Clock: Boredom and Vigilance Performance, *Perceptual and motor skills*, vol. 92, no. 3, pp.969–976.
- Kim, J. (2018). The contrary effects of intrinsic and extrinsic motivation on burnout and turnover intention in the public sector, *International Journal of Manpower*, vol. 39, no. 3, pp. 486-500.
- Lambright, K. T. (2008). Agency Theory and Beyond: Contracted Providers' Motivations to Properly Use Service Monitoring Tools, *Journal of Public Administration Research*, vol. 19, pp. 207-227.
- Larsen, S. B., Sørensen, N. S., Petersen, M. G. & Kjeldsen, G. F. (2015). Towards a Shared Service Centre for Telemedicine: Telemedicine in Denmark, and a Possible Way Forward, *Health Informatics Journal*, vol. 22, no. 4, pp. 815–827.
- Lohmann, J., Houlfort, N. & De Allegri, M. (2016). Crowding out or no crowding out? A Self-Determination Theory approach to health worker motivation in performance-based financing, *Social Science & Medicine*, vol. 169, pp. 1-8.
- Münsterberg, H. (1913). *Psychology and Industrial Efficiency*, Boston: Houghton Mifflin.
- Omega. (2018). *Omega Annual Report 2018*.
- Qu Sandy Q. & Dumay John. (2011). The Qualitative Research Interview, *Qualitative Research in Accounting & Management*, no. 3, p.238.
- Reijseger, G., Schaufeli, W. B., Peeters, M. C. W., Taris, T. W., van Beek, I. & Ouweneel, E. (2013). Watching the Paint Dry at Work: Psychometric Examination of the Dutch Boredom Scale, *Anxiety, Stress, & Coping*, vol. 26, no. 5, pp.508–525.
- Richter, P. C. & Brühl, R. (2017). Shared Service Center Research: A Review of the Past, Present, and Future, *European Management Journal*, vol. 35, no. 1, pp.26–38.
- Robin, A. & Groysberg, B. (2015). The Whys and Hows of Feedback, *Harvard Business Review*, no. 416–013.
- Ryan, R. M. & Deci, E. L. (2000). Intrinsic and Extrinsic Motivations: Classic Definitions and New Directions, *Contemporary Educational Psychology*, vol. 25, no. 1, pp.54–67.

- Shared Services. (2019). *Deloitte Nederland*, Available Online:
<https://www2.deloitte.com/nl/nl/pages/strategy-operations/solutions/emea-csf/shared-services.html> [Accessed 23 May 2019].
- Sihombing, I. H. H., Supartha, I. W. G., Subudi, M. & Dewi, I. G. A. M. (2017). The Role of Organizational Commitment Mediating Job Satisfaction and Work Motivation with Knowledge-Sharing Behavior in 4 Star Hotels in Badung Regency, Bali, *Global Business & Finance Review*, vol. 22, no. 3, pp. 61-76
- Staats, B. R. & Gino, F. (2012). Specialization and Variety in Repetitive Tasks: Evidence from a Japanese Bank, *Management Science*, vol. 58, no. 6, pp.1141–1159.
- Taylor, J. H., Thompson, C. E. & Spassoff, D. (1937). The Effect of Conditions of Work and Various Suggested Attitudes on Production and Reported Feelings of Tiredness and Boredness, *Journal of Applied Psychology*, vol. 21, no. 4, pp.431–450.
- The Boredom of Repetition Work. (1937). *The British Medical Journal*, vol. 1, no. 3982, pp.924–925.
- van Hooff, M. L. M. & van Hooft, E. A. J. (2014). Boredom at Work: Proximal and Distal Consequences of Affective Work-Related Boredom, *Journal of Occupational Health Psychology*, vol. 19, no. 3, pp.348–359.
- Yin, R. K. (2009). *Case Study Research: Design and Methods.*, 4. ed., SAGE.

Appendix

Appendix 1. Interview questions employee

- Do you find your job interesting?
 - Why?
 - If not interesting, how do you think that your job could be changed to be interesting?
- In what way are you motivated to perform your work tasks?
 - Why do you think you are motivated in this way?
- What part of your work do you think has a lot of autonomy/quality-type task/quantity-type task/repetitive/varied/enjoyable to perform/ boring to perform?
 - Why do you think that is the case?
- If those boring parts of the job would be removed and instead performed by a robot and you could do more enjoyable and challenging tasks, what do you think about that?
 - How would you be motivated then?
- Has there been a lot of personnel turnover in your department?
 - Why do you think this is the case?
 - How could these employees be retained?
- How do you think that employees are attracted to this job?
- Do you have any thought about tasks that could be done if there was time to it? Perhaps some analytical tasks? More quality-type tasks?

Appendix 2. Interview questions manager

- If the work tasks that your employees are performing would be less about handling data and more about analyzing data, how would you think about the salaries of the employees?
 - Is it preferable for you that the employees have higher salaries?
- If the work tasks that your employees are performing would be less about handling data and more about analyzing data, how do you think that would affect the motivation of the employees?
 - How would it affect the performance of your employees?
- If the work tasks that your employees are performing would be less about handling data and more about analyzing data, how do you think this would affect:
 - Employee attraction?
 - Employee retention?
- How do you think that your employees are motivated now?
- Do you think the work performance of your employees is good or bad?
- Has there been a lot of employees turnover in your department?
 - Why do you think that is the case?
 - In what way could this be changed? More or less turnover?
- What kind of education do the staff have?
 - Would a higher education on the staff be preferable?
 - How do you think this could be achieved?
 - How can higher educated people be motivated to work at your department?
- Do you have any thought about tasks that could be done if there was time to it?
Perhaps some analytical tasks? More quality-type tasks?
- If the tasks performed by the workers are more “quality-type” of tasks, do you think more or less tight controls should be implemented?
 - What effect could that have on the employees?