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EMPLOYEE MOTIVATION PRACTICES IN PUBLIC SECTOR ENTERPRISE SYSTEMS IMPLEMENTATION

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ABSTRACT

Employee motivation can be an important factor in enterprise systems implementation, and practices from the private sector may not always be available in public sector organizations. The public sector differs considerably from the private sector in type of stakeholders, regulations, available resources, and internal culture. This study, based on semi-structured interviews of local government employees in Poland, explores practices used in motivating employees during enterprise systems implementation in local administrations. The interviewees, having been involved with enterprise systems implementation in their agency, represent diverse levels of experience and authority. Building trust in leadership and promoting a sense of community, in addition to tangible rewards, were found to be most valuable in motivating employees.

Keywords

Communication, digital transformation, enterprise systems, employee motivation, public sector.

INTRODUCTION

The public sector is an important component in the economy (Fernandez et al. 2017), providing societal infrastructure and vital services to the public. The public sector includes legislative bodies, police departments, national defense, public healthcare, public education, and public transportation, among others. Though some of the services provided by the public sector may also be offered by the private sector, the public sector generally provides these services with less restricted access, benefitting wider segments of the population. Enterprise systems (ES), which are elaborate application packages designed to support manifold functional areas in an organization, are now commonly adopted in the public sector as well as the private sector (Roztocki et al. 2022). ES permit the integration of data across departments and potentially lead to improved operational efficiency, timelier access to data for public decision makers, and more reliable information for the wider community (Roztocki et al. 2020).

Employee motivation can be defined as the force that channels activities towards work-related tasks and that determines the direction, intensity, and persistence of employee behavior in an organization (Pinder 2008; Van den Broeck et al. 2021). Employee (or work) motivation has been related to job satisfaction and performance and may contribute significantly to reaching operational goals in public sector organizations while keeping employees satisfied (Jensen and Bro 2017).

Research findings from the private sector do not always transfer easily to the public sector (Raymond et al. 2006). An important difference between the public and private sectors is the availability of resources and their spending options, as the public sector is more restricted and regulated. Furthermore, the internal culture in government organizations differs significantly from the corporate culture in private enterprises (Schraeder et al. 2005), requiring different approaches to motivating employees. In particular, in regard to employee motivation, the public sector is far more limited than the private sector as to offering performance incentives (Esteve and Schuster 2019).

Employee motivation in the public sector may be determined by public service orientation, that is, an individual's desire to do good for other people and society. But employee motivation is also affected by intrinsic job satisfaction, as well as explicit rewards, monetary or otherwise (Van den Broeck et al. 2021). In addition to financial resources and government regulations, employee motivation can be a significant driver in successful ES implementation in the public sector. Thus, keeping employees motivated during ES implementation should be a major focus of project managers and administrative leadership.

The importance of employee motivation in the public sector also inspires our study. The objective of this study is to gain a better understanding of how public sector organizations motivate employees during large system implementations, such as ES. Thus, we propose the following research question:

What are the practices used to motivate employees involved in the implementation of an enterprise system in the public sector?

The rest of our paper is organized as follows. After presenting our research approach, we report the major results from our case study. We then close this paper with some conclusions from our findings, a brief exposition of the contribution of our work, and a description of intended future work.

RESEARCH APPROACH

This research follows a multiple-case study approach, with semi-structured interviews as our primary data source, supplemented by observations and archival documents. Case studies are particularly suited for exploring new research areas and develop new theories (Eisenhardt 1989). Multiple-case studies, as opposed to single-case studies, though requiring more time and resources, generally return more convincing results, which may be corroborative or contrasting (Yin 2014).

In the initial step of our research, to prepare for the semi-structured interviews, we formulated several discussion questions regarding practices to motivate employees during ES implementation, based on literature and as shown in Table 1.

> a) What kind of ES does the City Hall operate and what is the scope of the operation? b) What was the system implementation process like? c) Were team meetings organized? If any, how often? d) Were the employees trained before implementing the system? e) Where and how did you get motivated by decision makers? f) Is there anything else that you would like to add to our discussion?

Table 1. Interview Discussion Questions

To validate our interview discussion questions and refine our data collection plan as recommended (Yin 2014), in May of 2019 we did a pilot study in one city administration office (City Hall) in Poland. In this specific City Hall, we conducted and recorded 11 in-person interviews. All recorded interviews were transcribed by a professional service. The experience from the pilot study interviews and the analysis of the transcripts confirmed that our questions were well designed, and only minor changes were needed.

Similar to the pilot study, targets of our next round of interviews, conducted in June-August 2019, were politicians, top and middle managers, information technology (IT) heads, ES administrators, and ES users in four additional city administration offices (City Halls) in Poland, that had implemented large ES in recent years. Though the interviews were intended to be with a single person at a time, during one interview a second employee walked in and joined the conversation and interview process. In total, including the pilot study, we collected data from 38 semi-structured interviews (one of them with two interviewees), giving us input from 39 individuals at five City Halls. Each interview, conducted in Polish, lasted between 15 and 90 minutes, with an average of just over 40 minutes. All responses were recorded and transcribed, then translated into English. The responses were analyzed using open coding (Strauss and Corbin 1990) with the support of MAXQDA, a software program designed for qualitative and mixed methods data analysis.

RESULTS

The results of our case study suggest that employee motivation is an important driving force in public sector ES implementation. Many interviewees expressed a conviction that employee motivation is crucial. The results also revealed several practices that seem to boost employee motivation, specifically practices that help in building trust in responsible leadership and practices that promote a sense of community and effectively communicate the value of the ES implementation. In the following sections, we present several excerpts from our interviews that support these findings. The sources of these excerpts are identified as interviewees #1 through #39.

Building trust in leadership

Interviewees indicated that a determined and supporting management team is important in motivating employees:

The basic issue is the support of the management team. (Interviewee #14)

... first [in importance], is support from top management, (...) even if it changes because of an election. (Interviewee #32)

Here, however, the motivation is also on the part of the management. The directors were very determined to implement such software. (...) So. I think this management team is generally motivating. (Interviewee #16)

However, a formal internal directive is not always perceived as motivating to all employees, as one interviewee stated:

... because it is obvious that when officials are used to something, they are opposed to change (...) Why do we need something else when what we have is good, right? (...) We can say, but here is the president's directive, we have to implement such a program, and there is simply no way out. This seems a somewhat forceful approach, and we try not to do that, as I explained. That is why we are looking for good leaders ... (Interviewee #14)

Because public sector organizations tend to be highly bureaucratic, interviewees in two out of the five City Halls pointed out that officials need to receive an internal president's directives to start work on ES implementation or to use the new ES. Thus, if internal authorization is provided and political leaders support the initiative, employees are given "the green light" to act:

In order to introduce a certain methodology, guidelines for action, a specific directive, is needed – often a president's directive or, for example, a circular letter from the City Hall secretary (...) This is fundamental, because ... if a City Hall employee is not obligated by the president, he or she sometimes handles it ... neglectfully. (Interviewee #34)

Also, a change in management or instituting fresh leadership can motivate employees and ES implementation team attitudes. As one of the interviewees stated:

... thanks to the fact that we had a freshly minted director of the IT department, we just wanted to show that we deserve trust, that we can handle this implementation and that we will carry it out well. (Interviewee #32)

Promoting sense of community and pride in project

Interviewees from all five City Halls were in agreement that convincing employees of the benefits of the new ES before implementation was important to build appreciation, acceptance, and motivation. Thus, the project leaders organized regular internal meetings before and during implementation with potential managers as well as staff from all concerned departments:

The meetings organized by the director of the Organization Department were aimed at familiarizing us with this project (...), informing us about the benefits to us and about value added (...) It was also presented in a very positive way, in the context of [the success of ES implementations in other City Halls]. (Interviewee #1)

The human factor is very important, but it is very often overlooked in the implementation of these projects. The larger the group of people is that you succeed to convince of the value of the implementation, the greater are the chances of the project being successful. (Interviewee #38)

And the motivation of employees, that it makes our work easier ... (Interviewee #16)

Our motivation then was that we will have an ES that will actually help us at work, that the work will be easier, that I will need much less time to complete the task, and with less effort will be able to do the same. (Interviewee #20)

Project leaders chosen by political authorities to implement ES in all the City Halls created a working team which included highly selected and self-motivated officials which faith in the mission of their work (serving the community). This issue was raised as important and related to work in the public sector in general. Two of the interviewees stated:

I think that if it weren't for those people who were on the team, I don't know if we would have succeeded. How were we motivated? Probably some of the people on this working team positively influenced others. (Interviewee #3)

... we were motivated by the fact that we were doing something new. (...) we felt internally on the project team that it would simply lead to good changes within the organization ... (Interviewee #10)

Being introduced to new technology and being able to train other employees on the new system also seemed to be a strong motivator for many employees.

... it is definitely worth focusing on preparing people, as to knowledge and skills. (...) As a department, we conduct a lot of training (...) We have a self-education project in the city. The City Hall (...) uses the knowledge of employees to share with other employees ... (Interviewee #6)

In all the participating City Halls, project leaders, among others, were responsible for internal communication, keeping within the budget and implementation schedule, and maintain relations with vendors. To keep up communications within the working team and resolve any problems that may have arisen, regular meetings were scheduled by the project leaders. This was considered an effective management practice, which enabled not only effective communication but also motivated the ES working team to meet deadlines and stay within the implementation schedule:

At the beginning, we met once a week and agreed on all these processes. Later, we were in a working routine (...) the meetings were on a regular basis ... (Interviewee #36)

As the ES implementation process is lengthy, it is helpful to ensure in the vendor contract to provide incremental versions of the system, as it can help motivate employees when they see progress and the benefits that the ES can bring for them and the organization.

Another element is the prototyping of works with possibly short deadlines for the presentation of subsequent versions of the prototypes [of the ES]. Because this is the thing that allows you to keep the right momentum. There is no such moment of weariness that the work is underway, but it is not known what stage they are at, whose side the ball is on, the vendor's side or the ordering party's side... (Interviewee #32)

Providing tangible incentives

Besides continuous support from project leaders and declared praise of working team participants, in the context of employee motivation, many interviewees pointed out other types of incentives, including financial ones, as being important. But evidently, the City Halls have no unified performance management system or reward system for employees on ES implementation teams. There seemed to be disagreement among interviewees about the availability of financial incentives. Some of them stated that there just were no financial bonuses provided by the City Hall for being on an ES working team, while others claimed that it was common to receive such bonuses:

The best motivation, of course, is financial. But under our conditions, you can count on the worst. Let me say that we are trying to arrange for so-called functional allowances for people. (Interviewee #13)

There is no incentive system at City Hall [to provide allowances for being involved in ES implementation projects]. There are project allowances only when such a system is financed by European Union funds, then an allowance is possible. On the other hand, under the existing incentive system (...), the employee may be rewarded for work activity *in the office.* (Interviewee #5)

In the case of local government administration, there is very little financial motivation; but of course, it is also not so that it does not exist at all. (Interviewee #10)

Of course, there are also various types of incentives to motivate. So, we also periodically evaluate employees. (...) *We evaluate each employee and give incentive bonuses.* (Interviewee #2)

Also, let's be honest, there also are some financial incentives. People implementing the project receive special financial allowances – smaller or larger – depending on the degree of commitment. (Interviewee #38)

... We had some kind of financial motivation and some kind of distinction ... (Interviewee #3)

It seems that some City Hall managers use tangible, indirect financial incentives as a practice to motivate employees. They perceived this as a more efficient practice than direct monetary bonusses. As a reward and form of motivation the City Hall managers spend funds on prestigious and expensive training for the employees involved in ES implementation. On the one hand it motivates project team members, and on the other hand it brings benefits to the organization, as well-trained workers with special knowledge and skills can perform more effectively.

The interviewees seem to perceive the significance of the financial motivations in different ways. Some of them stated that it is one of the most important issues, whereas others maintained that it plays only a marginal role, if any:

... well, there weren't any such incentives, financial or otherwise ... (Interviewee #18)

Of course, we motivate, and I can tell you what works. Monetary rewards are not the best; motivation in the form of paying for training is much more effective. (Interviewee #2)

Employees at one City Hall observed that it is beneficial to motivate employees with financial incentives or bonuses not only during ES implementation, but also after implementation or after a particular stage of the implementation. For some of the workers, also the career path forward seems to be a significant motivator:

... the motivation is that they [members of the project team] as people who want to do something have this unique opportunity. At the same time, they gain professionally, because they get promoted and get a better salary. (Interviewee #12)

DISCUSSION

Regarding our research question, "What are the practices used to motivate employees involved in the implementation of an

enterprise system in the public sector?", ensuring trust in leadership and conveying a sense of management support is, not unexpectedly, an important motivating practice. Changes in management apparently also motivates employees, as employees try to make a good impression on the fresh leadership. Having top leadership provide clear directives was also identified as providing motivation, though the reaction seems to be mixed, with some employees perhaps resenting too much pushing.

Effectively communicating the value and benefits of the new system to the employees while building a sense of community is equally an important motivational practice. Another important motivational practice is to inspire teams to develop a sense of pride of being part of a project that is creating something new and important. Regular meetings to resolve concerns is likewise an effective practice. Lastly, ensuring that frequent intermediate versions or prototypes of the system are made available helps maintain employees' interest and motivation during a lengthy implementation project.

While monetary rewards are undeniably influential with some employees, non-monetary rewards, such as paying for specialized training, promotion, and opening career paths seem to be valued even more. Table 2 summarizes the results from our interviews, with the left column showing the motivation goals, the middle column showing the identified motivational practices, and the right column listing the interviewees that raised and advocated for those practices.

Motivation Goals	Motivation Practices	Interviewees
Building trust in leadership	ensure management support	#14, #16, #32
	have top leadership directives	#34
	institute fresh leadership	#32
Promoting sense of community and pride in project	communicate value of ES implementation	#1, #16, #20, #36, #38
	encourage a team sense of creating something new	#3, #6, #10
	have regular meetings to resolve issues	#36
	ensure incremental working prototypes of the system	#32
Providing tangible incentives	provide monetary incentives	#2, #3, #5, #10, #13, #19, #38
	pay for special training	#2
	promote employees and provide career paths	#32

Table 2. Identified Motivating Practices in ES Implementation in the Public Sector

CONCLUSIONS, CONTRIBUTION, AND FUTURE RESEARCH

In this study we endeavored to identify practices that are used to motivate employees in implementing ES in public sector entities. Our results are based on interviews of people that participated in ES implementations in five City Halls in Poland. As expected, not all interviewees had the same perspectives on what worked and what did not work as well. However, our results suggest that employee motivation is a major driving force in successful ES implementation.

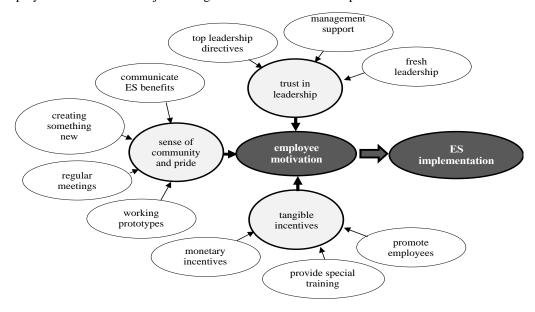


Figure 1. Employee Motivation Practices

Figure 1 encapsulates the employee motivation practices identified in our study. These practices can be clustered into three groups; building trust in leadership; promoting a sense of community and pride in the project; and tangible incentives.

Our research results should contribute to improving decision-making with future ES implementations and help provide a suitable environment for implementing appropriate practices that are favorable to motivate the project team.

The research was and is being conducted in Poland, a double level transition economy, that is, an economy or a country that has transitioned from one-party-rule and a centrally planned economy to a market system (Roztocki and Weistroffer 2015). Other researchers may want to conduct similar studies in the context of other countries, countries with a longer tradition of multi-party-rule and a more established market driven economy. Our study may provide these researchers with a suitable basis to use as a starting point and for comparison.

Overall, the results of our study showed that motivating public sector employees is a complex issue with significant impact on successfully implementing enterprise systems, and thus, this topic warrants further research efforts. This study is part of an ongoing research project, and it is planned to conduct a survey of a broader group of people involved with ES implementations in the public sector to confirm, modify, or refute the current findings.

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