MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE UKRAINIAN-AMERICAN CONCORDIA UNIVERSITY

Faculty of Management and Business

Department of International Economic Relations, Business & Management

Bachelor's Qualification Work

Remuneration as a major motivating factor

(based on Kalev Estienne)

Bachelor student of the 4th year of study Field of Study 07 – Management and Administration

Specialty 073 – Management

Educ. program – Management

Yuliia Dumenko

Research supervisor

Shalamai Olga

Senior Lecturer

Abstract

In today's globalized world, organizations aim to optimize their workforce and boost employee motivation to drive productivity and success. This study aims to determine how different types of employee remuneration, including financial and non-financial incentives, influence motivation and productivity levels through a comprehensive analysis of existing literature and empirical research. Focusing on Kalev Estienne, a prominent rhythmic gymnastics club, this paper examines organizational structures, motivational strategies, and the impact of remuneration on retention and performance. Utilizing both theoretical frameworks and practical investigations, it sheds light on motivations, job satisfaction, and organizational culture, identifying key areas for improvement. Proposed actionable recommendations encompass financial and non-financial incentives to foster satisfaction, recognition, and growth, with the potential to cultivate a positive work environment and contribute to long-term success.

Keywords: employee remuneration, motivation, productivity, performance, organizational culture, job satisfaction, retention, financial incentives, non-financial incentives.

Анотація

У сучасному глобалізованому світі організації прагнуть оптимізувати свою робочу силу та підвищити мотивацію працівників для підвищення продуктивності та успіху. Це дослідження має на меті визначити, як різні види винагороди працівників, включаючи фінансові та нефінансові стимули, впливають на мотивацію та рівень продуктивності, шляхом всебічного аналізу існуючої літератури та емпіричних досліджень. На прикладі відомого клубу художньої гімнастики Kalev Estienne у цій статті розглядаються організаційні структури, мотиваційні стратегії та вплив винагороди на утримання та

продуктивність. Використовуючи як теоретичні засади, так і практичні дослідження, вона проливає світло на мотивацію, задоволеність роботою та організаційну культуру, визначаючи ключові сфери для вдосконалення. Запропоновані практичні рекомендації охоплюють фінансові та нефінансові стимули, що сприяють задоволенню, визнанню та зростанню, з потенціалом для створення позитивного робочого середовища та сприяння довгостроковому успіху.

Ключові слова: винагорода працівників, мотивація, продуктивність, ефективність, організаційна культура, задоволеність роботою, утримання, матеріальне стимулювання, нематеріальне стимулювання.

PHEE-institute «Ukrainian-American Concordia University»

Faculty of Management and Business Department of International Economic Relations, Business and Management

Educational level: Bachelor's degree
Specialty 073 "Management"

Educational program "Management"

APPROVED

Head of Department

Prof. Zharova L.V.

"_10" _may _2024_

TASK FOR BACHELOR'S QUALIFICATION WORK OF STUDENT

Yuliia Dumenko	
 (Nama Cumama)	

1. Topic of the bachelor's qualification work

Remuneration as a major motivating factor_(based on Kalev Estienne)

Supervisor of the bachelor's qualification work Olga Shalamai, MA

Which approved by Order of University from "25" September 2023 № 25-09/2023-4к

- 2. Deadline for bachelor's qualification work submission "25" April 2024.
- 3. Data-out to the bachelor's qualification work:

Information was acquired from an internship carried out in collaboration with representatives from a relevant enterprise, as well as data gathered from various open internet sources, articles, reports from international organizations, journals, and the official financial and economic reports of the enterprise.

4. Contents of the explanatory note (list of issues to be developed)

To scrutinize, amalgamate, and generalise theoretical methodologies from scientific literature in order to delve into the theoretical underpinnings of the remuneration and its role in motivation at the workplac and delineate conceptual research objectives; to investigate the empirical techniques for gathering and scrutinizing statistical data; to analyze the case study on a detailed analysis of motivational environment exemplified the "Kalev Estienne" case.

5. List of graphic material (with exact indication of any mandatory drawings)

Graphs and figures utilized for the analysis of economic and statistical data pertaining to the company and its developmental trajectory. These visual aids serve to elucidate the mechanisms of development, offering a clearer understanding of the company's growth dynamics and related trends.

6. Date of issue of the assignment

Time Schedule

№	The title of the parts of the qualification paper (work)	Deadlines	Notes
1.	I part of bachelor thesis	10.12.2023	
2.	II part of bachelor thesis	27.02.2024	
3.	Introduction, conclusions, summary	25.04.2024	
4.	Pre-defense of the thesis	30.04.2024	

Student (signature)
Supervisor

Conclusions (general description of the work; participation in scientific conferences/ prepared scientific article; what grade does the student deserve):

Yulia has demonstrated an impressive level of dedication and diligence in the completion of her bachelor's qualification work. Her commitment to academic excellence and professional growth is evident through her adherence to deadlines and consistent effort throughout the process. Yulia's practical application of theoretical concepts, coupled with statistical analysis drawn from his internship experience at "Kalev Estienne," showcases her ability to translate knowledge into real-world scenarios. Additionally, her active participation in two conferences reflects her proactive approach to academic discourse and knowledge dissemination. Overall, Yuliia's bachelor's qualification work exhibits considerable promise and has the potential to receive an "excellent" rating upon successful defense.

Supervisor: Olga Shalamai

forf

TABLE OF CONTENTS

INTRODUCTION	3
CHAPTER 1. THEORETICAL FOUNDATION OF MOTIVATION AT THE WORKPLACE AND REMUNERATION	5
1.1 Essence of Remuneration	5
1.2 Essence of motivation at the workplace and motivation theories	10
1.3 Factors influencing employee motivation	19
CHAPTER 2. STUDY OF "KALEV ESTIENNE" AND ITS PRESENCE ON THE MARKET	
2.1 Kalev's organizational structure and economic activities	26
2.2 Analysis of the state and results in particular spheres of the company activities	33
2.3 Strategic management of the business entity	39
CHAPTER 3. ANALYSIS OF THE ROLE OF REMUNERATION IN THE EMPLOYEE'S MOTIVATION AT "KALEV ESTIENNE"	43
3.1 Methodology, conduction and analysis of the research on the motivation environment at Kalev Estienne	
3.2 Summary and conclusion of the research	47
3.3 Limitations of the research. Initiation of further research on the relationship between age and remuneration (as a motivating factor)	49
3.4 Developing recommendations to eliminate the weaknesses of and form effective motivating strategy at Kalev Estienne	
CONCLUSIONS	55
REFERENCES	58
ANNEXES	66

INTRODUCTION

The human is the core of any enterprise. Regardless of the industry, the size, the stage of development, any organization requires men and women working together side by side in unison. Being the most valuable asset of any organization, the human resource should be given the highest priority.

It is hard to argue the relevance of this research. In the landscape of economic uncertainty and rising prices, there is a concerning tendency amongst the managers of enterprises and organizations to undervalue the importance of intangible rewards in the lives of employees. However, such a bias can only worsen the crisis that already exists in the labor market.

This research addresses the critical need to reevaluate the approach to employee remuneration. Even though tangible incentives, as salaries and bonuses, are crucial, intangible incentives, as recognition, a positive work environment, an pooprtunity for growth, also play a pivotal role in fostering employee motivation, satisfaction, and loyalty.

Therefore, this paper aims to respond to the following questions. Might it be time to reconsider the traditional notion that higher pay equates to higher motivation and loyalty? What factors contribute to employees feeling satisfied working diligently for their current employer and choosing to remain with the company? Is it the promise of a fulfilling career journey or a larger remuneration package that motivates individuals to pursue a particular career path?

Research in the field of labor remuneration, both tangible and intangible, plays an important role in various areas of modern society, including coaching. Such research helps to identify the most effective incentives for motivating employees. It is crucial to understand the types of rewards that incentivize, motivate employees, and encourage them to engage in long-term relationships within the enterprise. This study expands the knowledge of how different types of rewards affect employee motivation and satisfaction at work.

The research object is employee motivation at the Rhythmic Gymnastics Club "Kalev Estienne" (Toronto).

The research subject is Kalev Estienne, the largest and oldest rhythmic gymnastics club in Canada. This organization was established in 1951, and it has played a crucial role in the development of rhythmic gymnastics both domestically in Canada and internationally. Kalev Estienne has mentored thousands of young women over the course of more than seven decades and made a positive difference in their lives through gymnastics.

However, despite the rich history of the club the great reputation of the evergrowing organization, and the highest salary rate on the market, the recent turnover trends have shown that the company has faced challenges in retaining younger talented employees and sustaining the motivation and productivity amongst the staff members.

A coach is a special profession. They impart fundamental skills, strategies, and tactics to children of different ages. He continues to learn and keep up to date throughout his life. It is the coach who is the source of the athlete's motivation, enthusiasm, and positive attitude towards sport. However, the coach must also be motivated because his motivation directly affects the success of his athletes. The passion, dedication to sport and ambition of a good coach are directly related to the rewards, tangible and intangible, that the coach receives in his job.

Thereby, the purpose of this study was to develop recommendations to enhance the balance between tangible and intangible rewards, thereby preventing the loss of valuable personnel and fostering a productive working environment among the coaching staff at Kalev Estienne.

CHAPTER 1. THEORETICAL FOUNDATION OF MOTIVATION AT THE WORKPLACE AND REMUNERATION

1.1 Essence of Remuneration

The current business climate is characterized by increased rivalry and rapid change, which requires a continuous effort to attract, motivate and retain a talented workforce. This challenge relies heavily on the human resources management function, in particular the development of the employee reward system. When we hear the term remuneration, we automatically think of salary, but in the field of human resource management, it is a much broader term that refers to all means related to rewarding the performance of work (Pelago ,2022). It implies a set of incentives and compensations provided to employees in return for their contribution to the organization. (Investopedia Team, 2022) In the context of employment, remuneration already becomes an instrument the role of which is to satisfy the needs of employees, by meeting their their economic well-being and social satisfaction. Only by understanding the importance of remuneration in addressing both economic and social needs, organizations can enhance employee engagement and performance effectively.

The remuneration in the corporate environment is an important aspect of strategic human resource management. The impact of the remuneration system on employee motivation extends far beyond financial rewards. Certainly, wages play an important role in providing the basic needs of employees, giving a sense of stability, security and certainty. However, intangible incentives also become significant. Recognition, professional development opportunities, perspectives and benefits create a positive atmosphere in the organization, consequently strengthening staff commitment and boosting productivity. In the table below (Table 1.1) you can find examples of financial and non-financial remuneration.

Table 1.1 - Financial and non financial incentives

Financial Incentives	Non-Financial Incentives
Basic and additional salary	Encouragement and recognition of
	achievements
Vacation pay	Career opportunities
Incentive payments	Promotions
Non-monetary payments	Participation in decision-making
Overtime pay	Responsibility
Bonus payments	Job flexibility
Performance-related pay	Positive work environment
Profit sharing	Training and growth opportunities
Stock options	Flexible work arrangements
Fringe benefits	Job stability

Source: made by the author

Studies emphasize the importance of proper compensation systems in enhancing employee performance and commitment. Research indicates a significant positive relationship between reward and compensation management and employee performance (Williter et al., 2022). Additionally, the provision of valuable training and development opportunities, along with effective compensation plans, can significantly impact employee commitment (Nuraishah et al., 2020). A good compensation system based on actual performance levels can help satisfy employees, motivate them to excel in their roles, and ultimately contribute to organizational success (UWASE, Patience, 2023). Employee compensation strategies have been found to positively influence organizational commitment, leading to improved performance, higher loyalty, and increased customer satisfaction (Anis et al., 2021).

Sopia et al. (2020) describe rewards as one of the most important factors that influence how well employees perform their primary duties and functions. As a result of achieving the organization's objectives, employees are rewarded. As a result of rewards, employees are expected to continually improve their performance and achieve their goals. (Qurratul et al., 2022).

Several studies have also explored the link between financial remuneration and business financial performance.

A study by Mohamed, Amr, and Ahmed (2019) also discovered a positive and substantial association between executive income and ROA, implying that greater executive pay improves business performance.

On the other hand, Junarsin (2011) found a negative and substantial link between executive salary and ROA, suggesting that higher executive pay significantly impacts business performance.

In order to have a clear understanding of the issue let us structure the information. Below you can find a formula for the total reward is the following:

TOTAL REWARD = Total Financial Remuneration + Non-Financial Reward

Offering a competitive **total remuneration package** is crucial for a firm to draw in and keep the top workers (Pelago, 2022). Together with the employee's pay, this package also includes additional benefits like paid time off, retirement savings, and health insurance. An organization may recruit top talent and maintain their motivation and output by providing a competitive and all-inclusive complete compensation package.

In the formula provided the total **financial remuneration** encompasses salaries, bonuses, incentives and other monetary compensation. These forms of incentives have a direct impact on the financial situation of employees, providing them with stability and motivation to continue their labor contribution. (Spielberger, C., 2004)

While, **non-financial remuneration** such as encouragement, recognition of achievements and benefits address emotional, social and professional needs, is contributing to the creation of a positive corporate culture.(Blumenthal et al., 2022).

The financial compensation plays a significant role in attracting and retaining talent, as well as in driving employee engagement, productivity, and overall job satisfaction. The following are the most common types of such payments:

- basic and additional salary (13 th salary)
- vacation pay (including sick leave to the extent paid by the employer)

- incentive payments (performance-based bonuses, in other words, payments under the program of employees' participation in the company's profit)
- non-monetary payments (e.g., provision of various free services to employees, payment of transportation costs, housing costs, etc.)

Besides, the financial remuneration includes additional payments for overtime work, labor success and ingenuity, and special working conditions. It includes additional payments, allowances, guarantees and compensations provided for by applicable law, bonuses related to the performance of production tasks and functions. (Blumenthal et al., 2022).

The Table below outlines various types of financial remuneration commonly used in employment settings, along with their respective advantages and disadvantages. Each type of payment method is briefly described, highlighting its key benefits and drawbacks. The Table 1.2 contains explanations for salary, per-project pay, commission bonus payment, profit sharing, stock options, and fringe benefits, which explain how each kind of remuneration affects both employees and employers.

Table 1.2 - Advantages and Disadvantages of various types of financial remuneration

Type of Payment	Advantages	Disadvantages	
Salary	Predictable incomeOffers a sense of security	- May not directly incentivize performance	
Per Project Pay	- Rewards based on completion of specific tasks/projects	- Income may be inconsistent if projects are scarce	
Commission	Directly ties earnings to performance/salesIs often additional to the salary	- Income can be unpredictable based on market fluctuations	
Bonus Payment	 Rewards for exceptional performance or meeting targets Addition to the Salary 	 Not guaranteed, may create expectations for future bonuses Possible resentment after the bounce is received 	

Performance-	- Encourages higher	- Subjectivity in performance
Related Pay	productivity and goal	assessment may lead to
	achievement	disputes
		- In case of a small bounce
		might discourage
Profit Sharing	- Aligns employees' interests	- Dependent on company
	with company success	profitability, which can
		fluctuate
Stock Option	- Potential for significant	- Value of stock can decrease,
	financial gain if company	resulting in losses
	stock rises	
Fringe Benefits	- Enhances overall	- Can be costly for employers to
	compensation package with	maintain
	non-monetary perks	

Source: made by the author

We can conclude that the suitability of each type of payment significantly varies, therefore, understanding the benefits and drawbacks of various forms of financial compensation can be vital for both companies and employees. Each strategy has advantages and disadvantages, but there is no one-size-fits-all option, this is why when establishing pay packages, employers must consider corporate goals, industry norms, and employee preferences. Similarly, while comparing alternative payment choices, employees should consider their personal preferences as well as their career goals.

At the same time **non-financial remuneration** such as encouragement, recognition of achievements and benefits address emotional, social and professional needs, is contributing to the creation of a positive corporate culture.

Non-financial remuneration provided by companies to employees includes rewards and recognition, career opportunities, promotions, participation in decision-making, responsibility, job flexibility, and acknowledgment (Blumenthal et al., 2022).. These non-monetary benefits play a crucial role in motivating employees and enhancing their performance. They contribute to increasing employee motivation, self-esteem, job satisfaction, and professional growth, ultimately leading to improved performance levels. Non-financial benefits are considered cost-effective ways to engage with employees,

build strong relationships, and encourage efficient work behavior. (Kirti Mittal, 2023). Additionally, non-financial rewards such as training and growth opportunities, a positive work environment, flexible work arrangements, and job stability are fundamental in maintaining high motivation levels among employees.

There are many remuneration models in organizational practice, which can be divided into several main categories.

A **unified remuneration** structure implies the unification of incentives for all levels of employees (Joseph I et al., 2013). Meaning, that the enterprise using this structure equally remunerates regardless of the position held. This approach aims to maintain fairness and equalize the level of motivation in the organization. However, this model may not be effective in the case of different needs and motivational factors of employees at different levels.

Differentiated remuneration structure, on the other hand, focuses on the individual needs and contributions of employees. It implies a personalized approach to remuneration and takes into account the professional achievements, responsibility and personal qualities of employees (Ken Abosch, 2015). This model helps to incentivize high performance and individual growth but can cause internal conflicts and dissatisfaction among employees due to perceived inequity.

Hybrid remuneration models are a compromise option that combines elements of both previous models (Faster Capital team). They seek to combine the benefits of unification and differentiation, creating a flexible remuneration system capable of adapting to the changing needs of the organization and its staff.

1.2 Essence of motivation at the workplace and motivation theories

Motivation is an old topic that cannot be ignored in management textbooks. It is a concept that is very often put forward and widely discussed in the literature. In this section, we will look at various definitions and theories that can help us better understand the concept of motivation.

There are many definitions, and very often we have represented motivation with simple models borrowed from the school of human relations, emphasizing the obvious ("a person seeks to satisfy needs"...). Lévy-Leboyer (2006) was of the opinion that as generous as thse models are, they do not explain the complex reality.

The motivation experts agree that motivation is a complex process that includes both its implementation and completion, i.e. achievement of the goal.

Clark Dorman and Paolo Gaudiano (1999) in their work say that the concept of motivation is related to, but distinct from other concepts, such as instincts, drives, and reflexes.

The concept of motivation in the workspace has changed over time. In the 1930s, organizations sought to encourage teamwork. Since the group motivated the employees, it was necessary to take care of the group in order to develop individual productivity. In the 1960s and 1970s, organizations tried to compensate for the difficulties of collective work by rewarding individual productivity and providing employee welfare through social benefits. At that time, motivation was identified with job satisfaction. In the 1980s, motivation was more closely associated with personal involvement in a collective project developed by the organization (Morin et al., 2007). Today motivation at work is a continuous process that is managed and constantly reconstructed on the basis of numerous strategies and includes both individual dimensions and organizational characteristics.

To summarize, we can say that motivation is a process that includes 3 main components. First is the willingness to make an effort, to direct and sustain energy energy to achieve goals and perform work. Second is translating this intention into actual behavior, to the best of one's personal capabilities. Finally, the last essential component is the presence of internal and/or external motivational forces that stimulate and sustain a person's motivation.

The correlation of motivation and work efficiency

The role of motivation in work effectiveness is critical in the organizational context. The relationship between the level of employee motivation and the achievement

of organizational goals is a key aspect that requires attention when analyzing the issue of remuneration.

High levels of motivation can encourage employees to work more efficiently and productively, while low motivation can lead to poorer performance and even loss of talented employees. Thus, understanding the theoretical foundations of motivation is necessary to design remuneration systems that help to maintain and increase the level of motivation among staff.

Companies that succeed at effectively managing and inspiring their employees in the outcome build a loyal and hardworking team, obtaining a considerable competitive advantage. In the Figure below (Fig 1.1) it is depicted how motivated employees improve business efficiency.

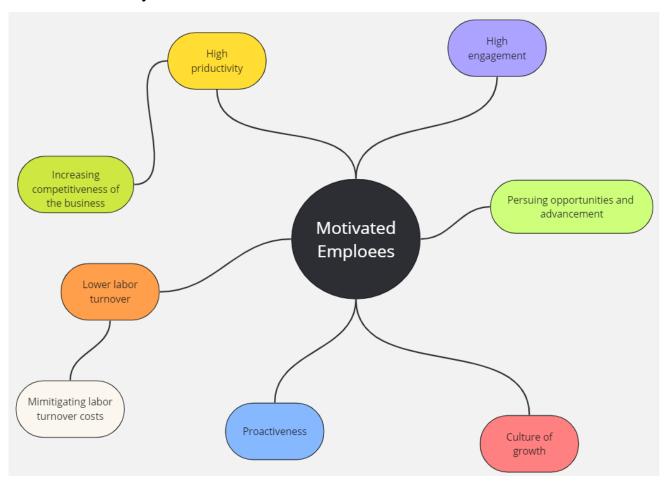


Fig 1.1 - Benefits for the enterprise of having well motivated workers.

Source: Complied by the auther

As depicted in Figure 1.1 there are various advantages for the enterprise of having motivated employees.

Primarily, the motivation is facilitating the higher productivity of the enterprise, which in turn enhances its competitiveness on the market (Camilleri et al, 2023). Thanks to the enthusiasm and dedication the employees are eager to work more efficiently and with greater output.

Moreover, motivated employees have shown to be significantly more proactive in their roles. They help improve company processes. They generate innovative ideas, and constructive feedback that can help the company reach its goals. This allows the enterprise to leverage the grouped engagement of motivated employees, to streamline operations, innovate products and services, and stay competitive in today's dynamic business landscape. Additionally, motivated employees are typically eager to grow and advance in their positions. They are eager to develop their skills to take initiative to take up new responsibilities, etc. This facilitates a culture where people are aspired to learn and develop new skills.

Furthermore, employee motivation is a tool to reduce turnover rates within the company. It has shown that the loyalty and dedication of motivated workers is fostering the sense of belonging and commitment. Moreover, while it helps to retain the workforce, it also is cutting costs on hiring and training new personnel. Therefore, this allows the enterprise to use their resources in a more effective way.

Additionally, motivated employees are typicly eager to grow and advance in their positions. They are eager to to develop their scills to take initiative to take up new responsabilities, etc. This facilitates a culture where people are aspired to learn and develop new skills.

Motivation in Action: The Case of Trader Joe's ("Organizational Behaviour", 2024)

Trader Joe's runs 500+ fresh food outlets in the USA. It has received the greatest customer satisfaction rating of any retail establishment in the country. Senior management states that this grade is due to their exceptional personnel, which provides

clients with an exceptional shopping experience. Trader Joe's employees have named the company 'the greatest place to work in the United States'. As of December 2023 on the rating platform 'Glassdoor' Trader Joe's has received a total of 8,948 anonymous ratings from employees, with an average rating of 4.1 out of 5. 70% of employees express a favorable opinion of Trader Joe's, and 80% would recommend this workplace to a friend.

When interviewed, employees highlighted the following aspects that are presumably making working at Trader Joe's unique.

Firstly, they highlighted the value and importance of the managerial support that they receive. Managers at Trader Joe's are described as listening, and caring, which fosters a culture of respect and collaboration within the workplace.

Furthermore, employees value the empowerment they receive at Trader Joe's. Crew members are describing that they are actively involved in decision-making processes, like stocking decisions, etc. I believe this provides them with a sense of ownership over their work. This empowerment does not only not only boost motivation but also enhances employee engagement and commitment to the company's goals.

Another distinguishing feature of working at Trader Joe's is the practice of job rotation. This means that employees have the opportunity to rotate job roles daily, which helps prevent monotony and boredom.

Moreover, the employees have highlighted that Trader Joe's places a strong emphasis on recognition and promotion. Employees are consistently recognized and rewarded for their excellent work. This serves as a powerful motivator to perform at their best. This culture of appreciation not only boosts morale but also incentivizes employees to work to their best and contribute positively to the company's success.

For all the listed reasons, Trader Joe's has one of the lowest staff turnover rates in the retail business.

Overall, Trader Joe's success can be attributed to its well-motivated employees. Which in its terms is assured by the corporation's commitment to creating a positive work culture where employees feel valued, empowered, and supported, ultimately leading to exceptional customer experiences.

Key Motivation Theories

The theoretical foundations of motivation represent an integral part of understanding the reasons and incentives that motivate employees to act. Two of the key theories of motivation that are directly relevant to the issue of remuneration are A. Maslow's hierarchy of needs and F. Herzberg's two-factor theory.

Maslow's hierarchy of needs is a conceptual model where needs are divided into five levels, starting with physiological needs and ending with the need for self-actualization. (Maslow, A. H., 1943). When applied to remuneration, this approach suggests that the fulfillment of higher needs, such as recognition and self-development, can be linked to the intangible aspects of remuneration. This emphasizes the importance of considering a wide range of needs when designing remuneration systems.

Herzberg's two-factor theory identifies two main factors that influence motivation and satisfaction: hygiene factors (external working conditions, salary, personal relationships) and motivational factors (level of responsibility, recognition, opportunity for career advancement) (Charlotte Nickerson, 2023). When applied to the issue of remuneration, Herzberg's theory suggests that financial incentives such as salary can only provide basic satisfaction (hygiene factor), whereas additional motivational factors are needed to increase motivation.

Maslow's hierarchy of needs and remuneration

American psychologist Abraham Maslow proposed the concept of a hierarchy of needs (Maslow, A. H., 1943). (Figure 1.2) . According to his theory, human needs can be represented in the form of a pyramid consisting of five levels, which are arranged in order of increasing importance:

- 1. Physiological needs (basic biological needs such as food, water, sleep).
- 2. Safety needs (protection from danger, stability, order).
- 3. Need for companionship and belonging (love, social relationships).
- 4. Need for esteem and self-esteem (striving to achieve goals, recognition, respect).

5. Need for self-actualization (development of potential, self-expression, achievement of higher goals).

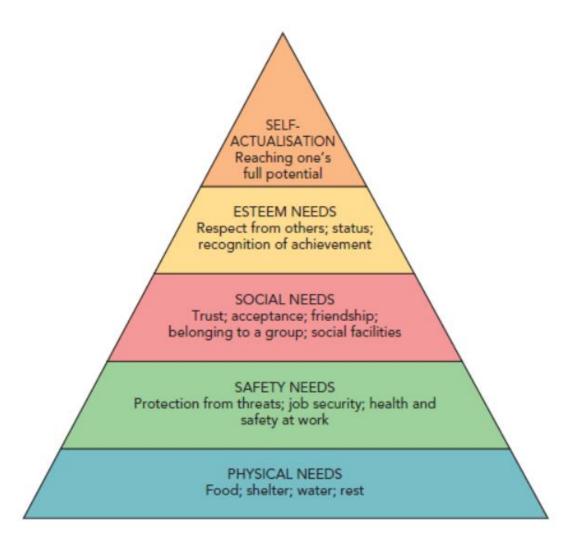


Fig 1.2 - Maslow's hierarchy of needs

Source: Surridge, M., & Gillespie, A. (2021, May 28). Cambridge International Business Second Edition. Hodder Education.

As we can see in Figure 1.2, there is a clear connection between remuneration in this hierarchy and the top two levels: the needs for esteem and self-actualisation. When an employee is remunerated (his/her contribution is recognized, promoted, or given status), this contributes to the satisfaction of the need for esteem. When an employee receives remuneration, he/she feels that his/her contribution and efforts are recognized and this has a positive effect on his/her self-esteem.

For many people, self-actualisation is also linked to the achievement of personal and professional goals. Remuneration in the form of opportunities for creativity, development, training and professional growth becomes a powerful incentive for self-actualisation.

Thus, through the remuneration system, organizations can support and encourage employees to meet their needs at the highest levels of Maslow's hierarchy. This contributes not only to increased motivation and efficiency but also to the creation of a favorable working environment where people can realize their potential and feel satisfied with their activities.

Herzberg's two-factor theory and remuneration

Herzberg's two-factor theory, also known as the motivational-hygiene factor theory, identifies two main components of influence on employee satisfaction and motivation: motivational factors (motivators) and hygiene factors (hygiene factors) (Charlotte Nickerson et al., 2023).

Hygiene factors, also called dissatisfiers or maintenance factors (see Figure 1.3), represent the needs that people expect to be met to avoid dissatisfaction. While important for maintaining a baseline level of contentment, hygiene factors alone cannot be considered motivators. Instead, they prevent dissatisfaction and create a good work environment.

On the other hand, motivational factors are part of the nature of the work itself and lead to positive satisfaction. These factors, also called satisfiers (see Figure 1.3), are involved in doing the job and are seen as rewarding by employees. Motivational factors symbolize needs that go beyond basic requirements and contribute to feeling fulfilled and successful at work.

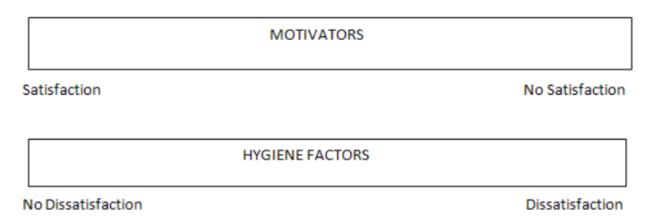


Fig 1.3 - Herzberg's vision of Satisfaction/Dissatisfaction

Source: Extract from "Management Study Guide" Herzbergs Two-Factor Theory of Motivation. (n.d.).

Specifying Figure 1.3, in the context of remuneration, these factors can be reinterpreted as follows:

Motivational factors: (1)development and growth (remuneration in the form of opportunities for professional development and career advancement); (2) achievement (remunerating achievements and successful results can stimulate employee motivation); (3)working on interesting projects (providing opportunities to work on exciting and challenging tasks can be a form of motivation through interest in work)

Hygiene factors (hygiene factors): (1)financial remuneration (salary, bonuses, incentives and other forms of financial remuneration are important as a major hygiene factor); (2) working conditions (decent working conditions provide the basis for satisfaction); (3) relationships with colleagues and management (excellent relationships with colleagues and support from management can influence employee satisfaction); (4) job recognition (remuneration in the form of recognition, praise and awards can be an important factor in boosting morale)

It is important to understand how these factors interact and how they affect employee motivation and satisfaction. For example:

- fairness and transparency in remuneration (organisations should ensure that remuneration is distributed fairly and transparently to avoid dissatisfaction among employees)
- personalised approach to remuneration (taking into account individual needs and preferences of employees when setting remuneration systems)
- linking remuneration to achievement (linking financial remuneration to achievements and performance can increase motivation)
- feedback and evaluation (providing regular performance evaluation feedback and remuneration for successful endeavors)
- use of a variety of forms of remuneration (remuneration is not limited to financial rewards, it is also important to use intangible forms (recognition, appreciation)

It is important to consider both aspects of Herzberg's theory (motivational and hygiene factors). This will provide a balanced and comprehensive approach to motivating employees that fulfills their basic needs and encourages high performance.

1.3 Factors influencing employee motivation

The role of recognition and other intangible incentives in the work environment

One factor that is often discussed as a source of difficulty for company management is the lack of motivation related to salary. This lack of motivation is often related to a number of factors, such as a lack of recognition of the work, skills (implicit or explicit) or social role played by employees (Diez, R. & Carton, P., 2013)

Recognition and intangible incentives play an important role in the successful development of any business. They increase motivation, improve employee satisfaction, strengthen corporate culture and contribute to a positive working environment.

Recognition at work is not simply related to salary or status in the company. It is connected in a more personal way to the person and their desire to develop self-esteem, which is an important element of motivation.

Robert Diez (2013) defines self-esteem as "the value we place on being reflected in the mirror of the groups to which we belong". The groups to which we belong can be primary (family, friends, relatives) or secondary (colleagues, companies, etc.).

Diez and Carton (2013) state that recognition can be broken down into 4 main dimensions that are vital to take into account.

Table 1.3 - 4 dimensions of recognition of Diez and Carton

1.	Recognition of the	It is important to focus recognition on the person
	individual	as an individual rather than the person as an
		employee. This recognition will be expressed in
		relationships and will give the person a sense of
		being valued.
2.	Recognition of results	This implies that the person is acting purposefully
		to achieve results. Results are the real driving
		force behind an employee's performance.
3.	Recognition of effort	The results obtained are not necessarily
		proportional to the effort put in by the employee.
		Depending on the environment employees may
		put in a lot of effort but not achieve the same
		results. Therefore, recognition of results is not
		dependent on recognition of effort.
4.	Recognition of skills	This involves not only emphasizing the
		quality of a job well done but also valuing certain
		less obvious aspects.

Sourse: made by the author

"The results are not always commensurate with the efforts made and this must be taken into account."

Robert Diez

It is not about emphasizing the quality of a job well done, but about valuing certain less obvious aspects, such as creativity, innovation, or independence(Lang et al., 2024). You should pay attention to the so-called tacit skills. They depend on personal experience and, in particular, on the practices that an employee has to develop in a work situation or in social life. They are difficult to describe because they are implicit.

The diagram below (Fig 1. 4) shows that the recognition of these four dimensions by the company has a real impact on the employee and on the self-esteem that he or she can develop in the company.

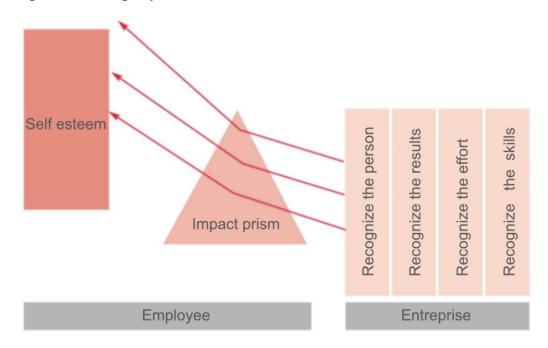


Fig 1. 4 - The impact of recognition on the employee

Source: Diez, R. & Carton, P. (2013). De la reconnaissance à la motivation au travail. L'Expansion Management Review

The next chart below (Fig1.5) allows us to establish a connection with the previous figure, in which we found the effect of recognition on self-esteem. According to Diez and Carton (2013), self-esteem is also associated with motivation, which is exactly the topic of my thesis.

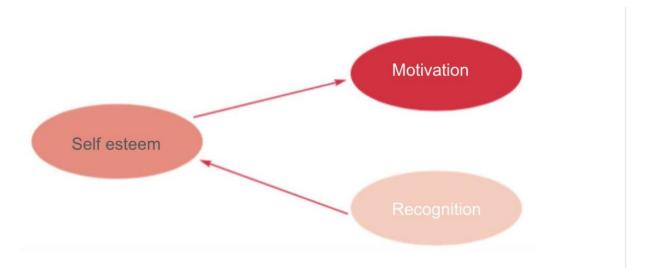


Fig 1.5 . - The impact of recognition on the employee motivation Source: Diez, R. & Carton, P. (2013). De la reconnaissance à la motivation au travail. L'Expansion Management Review

Therefore, Figures 1.4 and 1.5 depict that recognizing employees' individual achievements and contributions greatly increases their motivation. When employees see that their labor is appreciated, they tend to put more effort into their work. This promotes better communication and cooperation within the team, reduces turnover and helps in retaining experienced employees. Recognition creates a positive corporate culture where hard work, innovation and professional growth are valued. All of this leads to the formation of a strong brand and the attraction of talented professionals.

Another non-material incentive can be a flexible schedule, the ability to work from home and corporate events (Surridge, M., 2021). All this helps to reduce the stress level of employees and create a more favorable working environment. Satisfied and motivated employees are more likely to be willing to offer new ideas, more likely to go beyond their duties. The feeling that the company cares about them strengthens employee loyalty. And as we know, they are more likely to stay with the company on a long-term basis.

Apart from that, I would like to emphasize such a significant intangible incentive as training support. Providing employees with training and development opportunities raises their professional competence and opens up new horizons. Employees feel that the company is investing in their development, which of course affects their job satisfaction

and commitment to the company. Companies that provide training support help their employees to successfully adapt to changes in the industry, rapidly changing technologies and business requirements. Employees equipped with new knowledge bring fresh ideas, which helps the company grow. In addition, companies that provide training usually have a better reputation as employers, which attracts motivated talent and contributes to a positive image of the company in the labor market.

Social and cultural aspects of remuneration

At the same time, it is essential is to remember that different cultures may have different ideas about what is appropriate remuneration. In one culture recognition and status are important, in another culture financial remuneration is prioritised. Some cultures value loyalty to the organisation and collectivism, which means that remuneration should be designed to highlight the collective achievements and contributions of each team member (UWASE, Patience, 2023). Also, cultural expectations of remuneration may include not only the forms of remuneration but also how feedback is provided, support for learning and the level of flexibility in the work environment.

The main social aspect of remuneration is fairness in the distribution of remuneration. Employees expect the remuneration system to be fair and equitable. Such a system has a positive impact on the corporate culture and helps to create a long-term relationship between the organisation and its employees. When employees feel that their efforts are fairly valued, they are more likely to stay with the company. Equality and fairness in remuneration also support the principles of diversification (improving the performance of the company, and enterprise by spreading risk) and inclusiveness (inclusion and full immersion of employees in the work process) in an organisation. This is important to recognize differences in the experience, qualifications and contributions of employees.

Challenges and critique

One of the main problems is inequality in remuneration and unfairness in its distribution. Often employees think that their colleagues are rewarded more for similar or even less labor-intensive work. Lack of transparency can undermine trust in the reward system. If remuneration determination processes are not transparent, employees feel dissatisfied (and often anxious) about how their pay decisions are made (UWASE, Patience, 2023). Also, if pay levels are inadequate, this can be a source of demotivation and dissatisfaction. Moreover, performance appraisal systems can be unfair or not objective enough, leading to an unfair distribution of rewards.

A focus on financial remuneration can often lead to the exclusion of intangible incentives (such as recognition, development, and work environment). This can be a missed opportunity to better meet the needs of employees. The balance between financial rewards and intangible incentives for employees is a key aspect for a successful motivation strategy in an organisation.

People have different needs and motivators. Some employees are more motivated by financial incentives (salary increases, bonuses) while intangible incentives (recognition, opportunities for professional growth, flexible working hours and others) are important for others. A balance between financial and material remuneration also creates a corporate culture that values diversity and cares about the all-round development of employees (Virgolino et al., 2017).. Companies that provide a balanced set of remuneration are more attractive to talented professionals. Keep in mind that the business environment is constantly changing and companies need to be flexible. A combined approach to remuneration allows you to better adapt to changes internally and externally, responding to employee needs and the needs of the labor market.

To create a remuneration system that is fair, transparent and motivating, the implementation of some strategies will help, namely:

1. creating clear evaluation criteria (this will help prevent arbitrary decisions and subjective preferences in reward distribution); use objective metrics to evaluate employee performance and contribution

- 2. introduce a career development program (such a program will help employees to develop and enhance their skills, which in turn will reduce the pay gap by improving performance)
- 3. include employees in the remuneration decision-making process (discussing career goals, getting feedback on performance)
- 4. conduct a remuneration audit (this will help identify differences in pay between groups of employees, and may also identify differences in remuneration by gender, age, race or other characteristics)
- 5. review the labor market (to ensure that the organisation's salary levels are up to standard and competitive in the labor market)

Successfully addressing remuneration challenges requires constant monitoring, analysis and a willingness to change. It is important to create a balanced and fair approach that reflects the values and objectives of the organisation.

CHAPTER 2. STUDY OF "KALEV ESTIENNE" AND ITS PRESENCE ON THE MARKET

2.1 Kalev's organizational structure and economic activities

Kalev Estienne is the oldest and the largest rhythmic gymnastics club in Canada. It was founded in Toronto in 1951 by Evelyn Koop, who is to this day a member of its Board of Directors. Evelyn is recognized as being the one who brought the sport to North America and fostered its growth nationwide. Kalev has made some great contributions to the sport of rhythmic gymnastics both nationally and internationally. For Over 70 years, Kalev has provided classes for thousands of young women and has changed their lives in a positive way.

Kalev Estienne is a non-profit sports organization. Its activities are centered around fulfilling its mission of training and nurturing gymnasts.

Here's what indicates that Kalev Estienne is a non-profit organization:

- -The motive of the organization is not profit but service to benefit the public. Its mission is to promote and develop the sport of gymnastics and provide opportunities to every student who wishes to engage in this sport and ensure their well-being.
- Kalev Estienne is raising funds from government grants, donations, sponsorships, membership fees, special events
- The profit earned is reinvested back in the organization to continue working on its mission.

Accordingly, lets discuss the regulation and control over the activity of the enterprise. Kalev Estienne operates within the framework of state regulations related to sports organizations and non-profit entities.

Not-for-profit corporations incorporated in Ontario are governed under the Not-for-Profit Corporations Act, 2010 (ONCA) and the Regulations made under it.

The Not-for-Profit Corporations Act, 2010 (ONCA): https://www.ontario.ca/laws/statute/10n15

ONCA provides Ontario not-for-profit corporations, including charitable corporations, with a modern legal framework to meet the needs of today's not-for-profit sector. It sets out how not-for-profit corporations are created, governed, and dissolved (Guide to the Not-for-Profit Corporations Act, 2010, n.d.). Naturally, Kalev Estienne is subject to periodic inspections and audits to ensure compliance with state regulations.

Kalev Estienne is working alongside the following state entities:

- Ministry of Government and Consumer Services
- ServiceOntario
- Canada Revenue Agency
- The Office of the Public Guardian and Trustee for Ontario
- Charitable Property Program of the Ministry of the Attorney General
- The Ministry of Provincial sport/multi-sport
- National Sport Organization (NSO)

At the same time, Kalev Estienne is a recognized Provincial Sport Organization (PSO). PSOs are not-for-profit organizations formally recognized by the government as the governing body of a particular amateur sport in Ontario. The primary function of PSOs/MSOs is the development of athletes, coaches and officials. This recognition status is a prerequisite to apply for funding under applicable ministry funding programs (Sport Recognition Policy for Provincial and Multi-sport Organizations, n.d.).

This status requires Kalev to continue to fulfill all of the criteria and obligations for recognition. The requirements include the numerous policies for ensuring a safe sport environment, but our concern for this paper are policies for the administration of the organization. Therefore, let us take a look at some of the main:

- A National Sport Organization (NSO) letter of endorsement is required for PSOs/MSOs each year. The letter must state that the Kalev PSO is recognized by the NSO as the official organization that oversees the sport in Ontario.
- To protect the organization's financial integrity, a thorough financial management policy defining the steps and requirements must be implemented must be in place. The organization's democratic governing structure and operational

procedures must be outlined in policies and procedures that are adopted and followed.

- To steer operations and match resources with the established priorities, the organization must have annual operational plans that are authorized by the board and a minimum of a three-year strategic plan.
- Companies are required to provide a thorough budget for both their most recent and prior fiscal years. A financial review engagement report or audit for their most recent fiscal year, completed by a chartered accountant, is also required to be submitted. (Sport Recognition Policy for Provincial and Multi-sport Organizations, n.d.).

As mentioned earlier Kalev Estienne is operating within the National Sport Organization (NSO) rules. It is a member of the following entities (Fig 2.1)

- The International Gymnastics Federation (FIG is the governing body for Gymnastics worldwide)
- Gymnastics Canada (governing body for gymnastics in Canada)
- Gymnastics Ontario (governing body in the province of Ontario)
- International Federation Of Aesthetic Group Gymnastics
- Canadian Aesthetic Group Gymnastics Federation



Fig 2.1 - Governing organizations in sports where Kalev Estienne is an affiliated member

Source: Extract from website of Kalev Estienne

These memberships allow Kalev Estienne to have access to resources, coaching certifications, competition opportunities, and adherence to standardized rules and regulations. They also contribute to the organization's ability to represent its gymnasts at various levels, from local and national competitions to international events.

In accordance with the requirements (of the mentioned federations, that Kalev is a member of) Kalev Estienne must employ a variety of normative, methodical, and instructional resources. These resources contain competition regulations, safety procedures, choreographic manuals, routines, and training manuals. Since these resources directly affect gymnast safety and training quality, their completeness and quality are crucial. The organization makes sure that all of its members receive the greatest teaching and are safe by routinely updating its materials to reflect changing standards and best practices in gymnastics.

Being the largest Rhythmic Gymnastics club in Canada Kalev Estienne has 5 training locations around the Greater Toronto Area (GTA).

At the moment, let's move to describing the projects and the services provided by Kalev Estienne, as there are many of them.

The main business activity, as of any sports organization, is offering gymnastics lessons, training plans, and planning gymnastics competitions and events. Kalev has a large number of programs aiming to provide access to sport for ladies of all ages and levels of fitness (Fig 2.2). Participants develop and master body techniques and skills with rhythmic movements, and learn how to handle the apparatus (ball, hoop, ribbon, rope, and clubs).

Donations, sponsorships, membership fees, and class fees are the main sourses of income for the organization.

REGISTRATION

TUESDAY SEPTEMBER 5TH 5:30 - 8:30 PM

PRE-COMPETITIVE

Gymnasts are accepted into our pre-competitive program after an evaluation. They train 6-10 hours per week, with concentration on physical conditioning, skill development and basic apparatus technique, while preparing the gymnast for the competitive program.

Gymnasts are accepted into the Provincial or National Stream program after successful tryout. They train 16 – 30 hours per week, and compete in various competitions ranging from Provincial to International levels.

LADIES RHYTHMICS

While improving basic fitness levels, develop co-ordination, flexibility and balance, using such apparatus as ball, ribbons and scarves.

A fun and stimulating approach to fitness, flexibility, coordination and motor skills. at the age of 4 with classes available for all ages and abilities. From tots to teens, all are accepted into this program.

DEVELOPMENTAL RHYTHMICS

Ages 5-8 and 9-13 years
Gymnasts are accepted into this program by invitation from the recreational program, and after an evaluation. This program focusses on the Advanced to the Elite levels, as well as the Performance Groups, and those not yet ready for the commitment of pre-competitive training.

NOT SURE YOUR LEVEL? COME FOR A FREE CLASS AND MEET THE COACH FOR EVALUATION AND REGISTRATION

Figure 2. 2.- Kalev Estienne's buiness activity: training programs.

Source: Extract from Kalev Estienne website

Moving to the next activity – Kalev's Summer Camps (Fig 2.3). The financial goal of this project is to raise money for the yearly renovations of the training facilities and equipment. While the raise of finances is important, the camp's focus is on providing safe and fun activities for the children, whose parents are occupied during the summer. What makes this Day camp different from the others is that it does not only provide entertainment and education to the young participants but also focuses on improving the overall physical shape developing core skills such as balance, strength, flexibility, and coordination.



Figure 2.3 - Kalev's business activity: Summer Camps

Source: Extract from Kalev Estienne's website

Now let's discuss the major project of the year – Koop Cup. This is the biggest International rhythmic Gymnastics event in Canada, organized every year by Kalev Estienne (Fig 2.4). It is named after the founder of Kalev, Evelyn Koop. This is an important economic activity that serves multiple purposes.

Firstly, hosting such a big international event elevates Kalev Estienne's standing, both locally and internationally, boosting its reputation in rhythmic gymnastics. This event's success can draw global interest from gymnasts, coaches, sponsors leading to potential collaborations and opportunities. In this way, after the participation in the Koop Cup the RG club from Estonia has decided to collaborate with Kalev for the summer training camp. Consequently, in the Summer of 2022 the high-performance athletes of Canada and Estonia and their coaches have organized the joint training camp in Bulgaria, sharing their knowledge and experience.

Secondly, the organizing of the Koop Cup is a crucial source of income for Kalev Estienne. It generates income through admission fees, merchandise sales, sponsorships, and participation fees. All of these help fund the organization's everyday operations and

help pursue the core mission of promoting and developing the sport of rhythmic gymnastics.

Thirdly, organizing global competitions such as the Koop Cup (Fig 2.4) is essential to the development of rhythmic gymnastics. These competitions play a major role in promoting participation and advancing rhythmic gymnastics both nationally and internationally.



Figure 2. 4. Kalev Estiennens business activity: Koop Cup

Source: Extract from Kalev Estienne's Facebook page

Last but not least, as a part of the financial agreement with the municipality, Kalev is engaged in important social projects. At the Markham Community Center (Markham, Ontario) Kalev's coaches provide free-of-charge recreational classes for the unfavorable and special needs children. The organization is committed to making a positive impact on the lives of people in their community. Kalev is willing to expand its social role beyond gymnastics training.

2.2Analysis of the state and results in particular spheres of the company activities

Below (Table 2.2) you can find my comparison table of the results in particular spheres of the company activities. In the first column, I described the state of affairs at of time when I just joined Kalev, and in the second, the results in them at the moment of my leave.

Table 2.2 - comparison table of the results in particular spheres of the company activities

Subject of analysis	Results as of September 2022	Results as of February 2023
Programs	- Kalev Estienne offers a variety of programs for women of all ages and fitness levels, which suggests inclusivity and a commitment to gymnastics development	 Started a new recreational program for girls 14-17, as a result of a successful marketing campaign in one of the High schools of Toronto Started a free program for underprivileged and special needs children
Memberships	- 230+ memberships at 5 facilities around Toronto	- Attracted 48+ new gymnasts
Koop Cup	 Koop Cup 2022 consists of 2 parts: in-person, online. ~200 participants 	 Koop Cup 2023 first time fully in person after covid19 670+ participants
Community involvement	- Participates in local community events, festivals and fairs to promote rhythmic gymnastics as a sport	 Started a free program for underprivileged and special needs children Continues to participate in

local community events

Source: made by the author, based on Kalev's 2022- 2023 data

Moving forward, lets discuss the competitive advantages of Kalev Estienne:

- Kalev has diverse sources of income, which provides financial stability
- Kalev Estienne has a 70-year history and a successful Koop Cup organization, which contributes to its reputation and show stability and competency
- Kalev's offers ones of the best training programs available. The fact that they are able to draw in and keep new members is evidence to the quality of their gymnastics programs.
- Kalev actively participates in community service by engaging in social projects. This highlights their commitment to leaving an impact in the community and sets them apart from competitors.

At the same time, the gymnastics market is very competitive as this is a very fast-growing sport that catches the eye with its complexity, power and graciousness. Below (Table2.3) I have prepared a comparative table of the 2 major competitors of Kalev Estienne – Olympium and Jusco.

Table 2.3 - comparative table of the 2 major competitors of Kalev Estienne

Aspect	Kalev Estienne	Jusco	Olympium
Size and	5 training locations in	2 training locations	1 training location
Facilities	GTA		
Type of	Non-profit sports	Non-profit sports	For-profit sports
Organization	organization	organization	center
Mission	Promote gymnastics,	Promote gymnastics,	Profit-driven sports
	serve the public	community	services
		engagement	

Diversity of	Offers programs for	Offers various	Provides programs for
Programs	women of all ages and	programs for all ages	different age groups
	fitness levels		
Community	Actively involved in	Active participant in	No community
Involvement	community events and	local events	involvement
	social initiatives		
Marketing	- Regular online	- Active community	- Limited social media
Strategies	content	involvement	presence
	- Email marketing	- Regular online	- Impressive
	- Word-of-mouth	content	website,in comparison
	advertising	- Participation in	with their
	- Active community	international events	competitors
	involvement,		-Participation in
	participation in local		international events
	events		
	- Organization and		
	participation in		
	international		
	gymnastics events		
Social	Regular posts but	Regular engagement	Limited social media
Media	lacking active growth	and active growth	presence
Presence			
Website	- Is regularly updated	- Is regularly updated	-Improved SEO –
	- Includes all	- Interface is outdated	appears first in the
	necessary information		search line
	- Interface is outdated		-Modern, easy-to-use
			interface

Competative	- Strong history and	- Strong community	- Profit-oriented
advantages	reputation	engagement	business model
	- Active community	-Active growth on	- Varied sports
	involvement	social medi	programs
	- Inclusive approach to		- SEO
	gymnastics programs		

Source: made by the author, based on the Kalev Estienne, Jusco, and Olympium 2023 data

In comparison to its competitors, Kalev Estienne possesses several notable advantages that have contributed to its strong presence in the world of gymnastics. However, there is room for improvement. Kalev's competitors, especially Jusco, exhibit ra strong social media engagement and growth. In contrast, even though Kalev's social media presence is consistent, it lacks the same degree of active expansion. This represents an opportunity for Kalev to enhance its outreach, connect with a wider audience, and attract new memberships. Then, while Kalev's website is comprehensive, its interface appears outdated in comparison to Jusco's modern and user-friendly website. Upgrading the website's interface and optimizing search engine visibility could help Kalev further promote its offerings.

Economic planning and activity of the business entity

In this part of the report, I will cover the main aspects of economic planning at Kalev Estienne.

At Kalev Estienne the director/founder is responsible for planning and economic activity of the enterprize.

The primary sphere of focus is financial planning. As a nonprofit organization, Kalev's financial decisions are focused on the goal of providing gymnastics programs at affordable prices and guaranteeing that everyone who is interested in the sport has opportunity to participate.

Every year Kalev sets the annual budget to make sure to meet all the needs of the organization. It is planned based on the income sources (government grants, donations,

membership fees, sponsorships, special events) and the expenses (coaching staff salaries, facility maintenance, event costs).

At this point, the resources are distributed optimally between the 5 training locations of Kalev, different training programs and events. Throughout the year, Kalev makes adjustments to align with the needs.

And finally, strategic planning is another essential component for the effective performance of Kalev. They regularly analyze the demand for their gymnastics programs and the programs in the Greater Toronto Area. They are monitoring the membership growth. They are monitoring the activities of other gymnastics clubs, to make sure to keep up with the developments in the sport. This kind of assessment help to build up the strategy for the future actions.

HR management

Human resource management within sports organization like Kalev Estienne highly differs from its traditional concept. There is no dedicated HR department, and Kalev's personnel mostly consists of coaches. Therefore, Kalev's management of HR functions is more decentralized, and HR-related responsibilities are distributed between director and coaches. This multifaceted involvement is very common in non-profit sports organizations where the administrative and operational side of the business is often managed by a small team.

The following are the key responsibilities of the HR management at Kalev Estienne:

- Searching for and recruiting qualified and talented coaches
- Familiarizing new staff with the values, and missions of Kalev, with the way of conducting the business, managing operations
- Evaluation of performances and providing constructive feedback
- Encouragement of professional development, providing chances to receive certifications, to participate in various trainings, courses, workshops

- Managing conflicts within Kalev and in relations including coaches and gymnasts and their parents.

Management of accounting and finance at the enterprise and employee remuneration

Since the very beginning and to this day the major accounting and finance matters are managed by the founder herself (92 y.o.). It involves careful budgeting, record-keeping, financial planning and compliance with financial regulations. All the operations and bookkeeping is done manually, therefore the organization regularly undergoes financial reviews or audits conducted by a certified public accountant (CPA).

I do not possess much information on the general accounting and financial management of Kalev Estienne. However, I can describe it at the level of each training location.

Each training location collects and keeps account of membership and class fees, and keeps account of monthly expenses on supplies and maintenance of the facility.

Using checks is in common practice in many organizations in Canada. As in Ukraine we do not use this mean of payment, let me Explain it. A check is a written, signed and dated order that guarantees a specific amount of money. This order directs the bank to pay this money to the bearer. The payor writes and provides a check to the payee, who then deposits it to their bank account. In case the check gets into the hands of a third party, they will not be able to retrieve the money, because the payee is the only one who can do it. Checks can not be deposited before the due date written on it.

Coaches receive their salaries in the form of physical paychecks. They are compensated based on their hourly rate. Coaches are required to provide timesheets at the end of every month. (Timesheets are documents with the record the number of hours they have worked during that month. This information is then used to calculate their pay based on the hourly rate.)

For collecting membership and class fees, Kalev is using checks as the main mean of payment. The coaching team maintains accurate financial records, including income and expense statements. The benefits of using checks are the following:

First of all, the efficiency! Parents issue the checks once a year, which are then stored by Kalev and deposited at the beginning of every month. (For example, Lucy is attending the Interclub group 2 times per week, which costs 225 \$CAN per month. Her parent issues 10 checks for 225 dollars each, one for every month of the RG year (September – July). At the beginning of every month Kalev deposits the check.) This creates financial predictability, reduces administrative burden, and reduces late payments.

Furthermore, checks provide a paper trail of payments, a tangible record of financial transactions. This simplifies accounting and provides documentation in case of disputes or discrepancies.

Additionally, using checks can help avoid transaction fees associated with electronic payments or credit card processing

Last but not least, many people are familiar with using checks and have a high level of trust in this payment method. Canada has a diverse population, and some families within the community prefer or exclusively use checks for payments

2.3 Strategic management of the business entity

In this chapter of the report, I will conduct the SWOT analysis of Kalev Estienne. The infographic presented below (Fig. 2.5) provides visual representation of the club's strengths, weaknesses, opportunities, and threats.

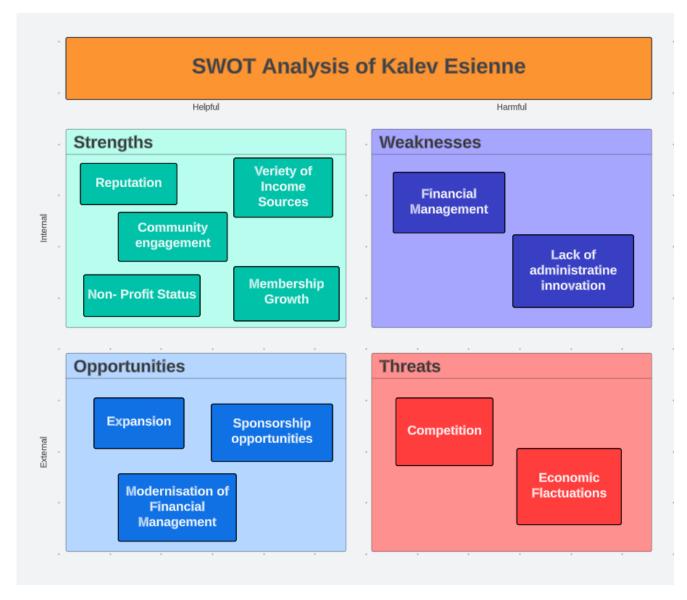


Fig 2.5. SWOT analysis of Kalev Estienne

Source: made by the author 2023

In Figure 13 you can see my SWOT analysis of the organization. Now let me explain it.

Strengths:

- 1. Kalev has a strong reputation and recognition in Canada and internationally. It has a history of over 70 years of successful performance, it is the oldest and the largest rhythmic gymnastics club in Canada.
- 2. The diverse income sources ensure financial stability and predictability
- 3. Non-profit status shows a commitment to the community and makes

- Kalev eligible for government grants
- 4. 48+ of new gymnasts joined in 6month period proves Kalev's appeal and good marketing management.
- 5. Active participation in local events and providing of free programs reflects Kalev's strong commitment to community engagement.

Weaknesses:

- 1. Manual financial management complicates administrative work, is time-consuming, and requires often audits from a third party in order to avoid errors.
- 2. The lack of innovation in administration, and non-optimized processes are making it very difficult to maintain operational efficiency.
- 3. High turnover of emploees

Opportunities:

- 1. There are opportunities for the expansion of Kalev to new locations
- 2. The success of the events like Koop Cup can attract new sponsors and partners, which will give additional financial support
- 3. Implementation of modern software for financial management will increase the efficiency and accuracy of financial processes

Threats:

- 1. Economic fluctuations lead to cuttings in government funding. This has already affected the organization's financial stability and is still a potential threat
- 2. Other gymnastics clubs in the region pose competition for memberships and resources

To **summarize** the key facts about Kalev Estienne. It is a sports organization with a remarkable history and numerous achievements. It's a non-profit entity driven by a mission to make gymnastics accessible to all students, fostering the sport's growth rather than seeking profits. Therefore, its mission is to provide everybody willing to participate in gymnastics with such an opportunity. At the same time also

promotes the sport's growth. Kalev Estienne offers a wide range of services and is actively involved in numerous projects that help work towards their goal. Here is a brief overview:

• Rhythmic Gymnastics Training Programs.

Diverse gymnastics programs for women of all ages and fitness levels, promoting inclusivity and development

• Social projects.

For Example, free recreational classes for disadvantaged and special needs children, that show dedication to serving the community

• Summer Camps.

Entertainment and Educational camps that focus on improving participants' physical fitness and developing core skills

• Community Involvement.

Participation in local community events, and festivals, to promote the sport.

• Koop Cup.

The biggest international rhythmic gymnastics event in Canada, organized by Kalev Estienne annually. Acts as a significant source of income and promotes rhythmic gymnastics development

As Kalev's personnel consists primarily of the coaches, they take on additional responsibilities beyond their primary coaching roles. This versatile involvement is common in non-profit sports organizations where the administrative and operational side of the business is often managed by a small team. In this way throughout the period of my work there, I had the opportunity to engage in event planning, competition management, HR-related operations, administrative operations, fundraising, content creation, and many other activities that are essential for the successful operation of Kalev Estienne.

CHAPTER 3. ANALYSIS OF THE ROLE OF REMUNERATION IN THE EMPLOYEE'S MOTIVATION AT "KALEV ESTIENNE"

3.1 Methodology, conduction and analysis of the research on the motivational environment at Kalev Estienne

During the work on this part of the paper, a comprehensive survey was conducted amongst the ex-employees of Kalev Estienne in order to understand the environment and evaluate the employee motivation methods of the enterprise.

The subjects of the research were **4 ex-employees** of Kalev, who left the club at some point in the course of the last 16 months.

The survey was conducted in the form of **online interviews**, collecting the testimonies of each respondent separately. I have ensured anonymity in order to encourage honest responses. They were encouraged to provide detailed responses to each question, reflecting on their personal experiences and perspectives. The interviews were conducted over a ~45-minute period to allow participants sufficient time to respond thoughtfully.

To ensure the comprehensiveness of the research I have developed an interview guide that reflected the research objective and was used in each of the 4 interviews. The guide can be found in Annex A. It was specifically designed to gain insight into various aspects of the work environment at the organization, such as motivation, relationship with the founder, organizational culture, prospects, and the role of remuneration in their decision-making.

Below you can find the the overview of responses gathered from the interviews that were compiled and analyzed to identify recurring themes, patterns, and trends.

General questions

- What is your age?
 16-21 years old
- 2. How long did you work at Kalev Estienne?

- 2-9 month
- 3. What was your position at the club?

All 4 respondents were recruited for the positions of an Assistant Coach

Motivation and Job Satisfaction

1. What initially motivated you to choose to work at Kalev Estienne over the other clubs of Toronto?

3 out of 4 participants responded that the major component of their decision-making was the salary rate. Kalev proposed the highest rate on the market, which was on average 25% higher than in any other Rhythmic Gymnastics club in the Greater Toronto Area.

One respondent, being a newcomer to the city, made their final decision based on the possibility, proposed by the owner of the club, to have affordable accommodation.

Everyone also outlined that the reputation of a big club with a history of over 70 years was very attractive. The perspective of working alongside the creator of the club, who was the first one to introduce the sport of Rhythmic gymnastics in Canada and has greatly contributed to the promotion and development of this sport, seemed aspiring.

The great condition of the sports facility and equipment was also mentioned in one of the testimonies

2. How satisfied were you with your job overall during your time at the club? (Scale: 1-5, 1 being very dissatisfied and 5 being very satisfied)

The satisfaction rate varied between 2 and 4. Overall all participants enjoyed working with athletes and seeing their progress. However, the significant challenges within the club's management, lack of support and acknowledgment from their supervisors negatively impacted the overall job satisfaction.

3. Did you feel recognized and appreciated for your contributions at the club?

The participants testified that received little to no recognition from the owner of the club. "Despite putting in long hours and going above and beyond to support the athletes, there was little acknowledgment or appreciation for my efforts."

At the same time, they received gratitude and acknowledgment from the parents of the athletes, which helped to stay motivated and inspired in coaching.

- 4. Are you willing to use your day off to work if necessary?
 - 2 respondents would not be willing to come in to work on their day off.
 - 2 would agree, motivated by the prospect of additional income.

Organizational Culture

1. How would you describe the organizational culture at the Rhythmic Gymnastics Club?

Overall the organizational culture at the club had its challenges. Communication could have been more transparent, and decision-making processes clearer. Additionally, there were instances where certain individuals seemed to receive preferential treatment, which led to tensions among staff members.

2. Did you feel there was favoritism within the club? If yes, please provide examples.

All 4 interviewed replied Yes. There were clear instances where certain staff members received preferential treatment, such as being assigned higher-profile athletes or given more opportunities for advancement. This created resentment and a sense of unfairness among those who felt overlooked or marginalized.

Relationship with the Founder

1. Describe your relationship with the founder of the club.

All participants testified that their relationship with the founder was somewhat strained due to occasional miscommunications, and micromanagement. While there were moments of collaboration and shared goals, there were also instances where the contributions were undervalued or overlooked.

Additionally, all of the participants outlined a culture of favoritism within the club. All 4 at some point of their work at the club found themselves in one or another side of the 'Favorite rating' of the founder of the club. All 4 have found it to be extremely disturbing and discouraging.

2. Did the founder's attitude towards you influence your decision to leave the club? If yes, how?

The answer of all interviewed was Yes. While the participants of the survey recognized the outstanding merits of the founder and had huge respect for her, her attitude did play a role in their decision to leave the club. The interpersonal dynamics was complex, the perceived favoritism towards certain individuals, coupled with a lack of recognition for the efforts, contributed to a sense of disillusionment. "It became increasingly challenging to reconcile the dedication to the club's mission with the feeling of being sidelined or undervalued."

Prospects and Remuneration

Were there opportunities for professional growth and development within the club?
 2 participants of the survey noted that despite expressing interest in expanding their skills and taking on additional responsibilities, there was little support from management.

Even though all the members of the team are encouraged to take the professional development courses, the average price of which is 100 CAD, they are never reimbursed by the enterprise.

2. Did you see long-term prospects for your career within Kalev?

The testimonies of those interrogated coincided. Initially, they saw long-term prospects for my career within Kalev. The club had a strong reputation and offered opportunities for growth and advancement. However, as time went on and issues within the organization became obvious and even concerning, confidence in long-term prospects diminished.

3. How important was remuneration (salary, benefits, etc.) in your decision to leave the club?

The salary was definitely an important consideration for all participants of the survey. They were aware that Kalev was the highest-paying Rhythmic Gymnastics club in the Greater Toronto Area. Therefore, in case they would like to proceed with the coaching career in a different club in the area their hourly rate would be lower., whereas not the sole determining factor. "While the salary was decent, it did not adequately compensate for my emotional toll of working in such a dysfunctional environment."

4. Were there any other factors besides those mentioned above that influenced your decision to leave the club? If yes, please specify.

Overall, issues related to organizational culture, job satisfaction, and growth opportunities also played significant roles in making the final decision.

Additionally, 2 of those interrogated highlighted the lack of recognition for their contributions, a feeling of being undervalued, and concerns about the overall direction and management of the club.

3.2 Summary and conclusion of the research

Interviews with former employees of the company showed that the only financial reward present at the club was the contractually agreed salary. It was the high salary, as well as the reputation of a large club with several branches and a long history of existence that attracted coaches to the club. However, the existing motivation system that was in the club, without additional financial motivation, as well as a complete lack of non-material motivation, could not retain employees with high qualifications and a huge desire for self-development.

The first important aspect identified by the survey is the lack of communication and recognition from the higher management, and sometimes even neglect of the staff. Lack of communication, feedback and disrespectful treatment can significantly undermine motivation and work enthusiasm (which is exactly what is observed, as these employees have already become ex-employees). The complete lack of intangible motivation such as recognition, support, and the opportunity to influence club processes added to the problem. Without a sense of belonging and significance of their work, employees lost their motivation to seek long-term cooperation and invest their efforts in the development of the club.

The second major finding of the survey is that the coaches did not feel that they could fulfill their full potential. Despite their education and experience, there was no opportunity to realize their potential in the club. This indicates an ineffective personnel management system and insufficient attention to the needs of employees. After all, working with children requires not only professional skills but also considerable dedication. This type of activity cannot be done mechanically, as each child is unique and requires an individual approach. It is in this context that the importance of motivation and enthusiasm on the part of the coach becomes obvious.

The third important finding is that all suggestions to improve the coaching process were ignored. This shows the conservatism of the head coach and the lack of openness to new ideas and desires of the employees. In light of the rapidly changing environment of the sport and training methods, ignoring suggestions for improvement could lead to the club becoming obsolete and losing competitiveness.

The results of the survey of the club's former employees clearly indicate the need for changes in personnel management, improved communication and the creation of opportunities for employee suggestions and initiatives. Only in this way will the club be able to maintain its reputation and successfully cope with the challenges of the modern sports world.

3.3 Limitations of the research. Initiation of further research on the relationship between age and remuneration (as a motivating factor)

After conducting a thorough survey and analyzing the data, it became clear that the primary reason for employee turnover at Kalev Estienne was the lack of non-financial incentives. A clear pattern emerged, particularly among individuals between the ages of 16 and 22, who make up a significant portion of the turnover. However, it's important to acknowledge a **potential limiting factor** observed in the survey - the age of the participants. While the survey included former employees between the ages of 16 and 22, Kalev Estienne also employs older employees who have been part of the team for 5+ years. This raises the question: are non-financial incentives less important to them? To explore this further, I decided to look at the relationship between age and the importance of compensation as a motivator.

To explore this further, I conducted a follow-up survey with two different groups. The first group consisted of 10 individuals between the ages of 16 and 21, while the second group consisted of 10 individuals over the age of 25, all residing in Toronto, Canada. The survey was designed in the form of short questionnaires to generate statistics that would illustrate the difference in the role of compensation as a motivator between the "younger" and "older" groups.

Below, I present an overview of the responses and statistics collected and analyzed from the questionnaires to identify recurring patterns and trends. This analysis is intended to provide further insight into the interplay between age and the importance of compensation in motivating employees in the context of Kalev Estienne.

- 1. How much are your average monthly expenses?
 - 7/10 of subjects from the "young" group reported spending less than \$1000 a month
 - 3/10 reported spending between \$1000-1500 a month
 - 6/10 subjects from the "older" group reported their monthly expenses varying from \$3,500-4000 a month
 - 3/10 reported \$4,000-6,000

1/10 - over \$6,000 a month

This difference in expenses likely reflects different life stages and financial responsibilities between the two age groups. Younger individuals may have fewer financial obligations, such as mortgages or family support, compared to older employees.

- 2. Do you have a family member, friend, or significant other who would be able to fully cover all of your necessary expenses in case your employment was terminated?
 - Among the "young" group, all 10 participants answered "yes".
 - Among the "older" group, 20% (2 out of 10) answered "yes", while 80% (8 out of 10) answered "no".

This indicates that younger employees may be more reliant on external support, such as family or friends, while older employees may have greater financial independence at the same time face greater financial obligations.

- 3. In what ratio do non-financial incentives and financial compensation contribute to your overall job satisfaction and morale?
 - The final poll of the "young" group established a ratio of 56% to 44%, non-financial incentives to financial compensation accordingly
 - The "older" group established a ratio of 17% to 83%, non-financial incentives to financial compensation accordingly

This difference suggests that younger employees need non-financial incentives, such as recognition and praise, in addition to financial rewards. Older employees, on the other hand, find financial stability and compensation to be the primary motivators.

- 4. Do you believe that a lack of verbal appreciation, praise, and encouragement affects your confidence and sense of competence in your job?
 - In the "young" group 9/10 answered "yes", 1 answered "no"

• In the "older" group 4/10 answered "yes", 6 answered "no"

This difference may be due to different expectations and experiences in the workplace. Younger employees may be seeking more validation and encouragement as they establish themselves in their careers, while older employees may have developed greater self-confidence over time.

- 5. Would you be willing to accept a lower salary if it meant receiving more frequent verbal praise and recognition and feedback from your superiors?
 - Among the "young" group, 6 participants answered "yes", and 4 answered "no".
 - Among the "older" group, 1 participant answered "yes", 9 answered "no".

This suggests that younger employees have a greater need for intangible rewards, such as recognition and feedback, while older employees may prioritize financial stability and compensation.

Conclusions

The results of this survey demonstrate the importance of recognizing and addressing the different needs and preferences of employees, taking into account their age and stage in life. It is clear that younger employees are seeking a combination of financial and non-financial incentives to feel motivated and engaged in their work, while older employees are more likely to prioritize financial stability and compensation. Two main factors contribute to this disparity.

First, as individuals age, they undergo significant personal and professional development, leading to the cultivation of stronger social-emotional coping skills and increased self-awareness. Older workers show less reliance on external validation and feedback and have a more robust sense of self-worth and confidence in their abilities. This increased resilience allows them to navigate workplace challenges with greater ease and effectiveness.

Second, with age comes increased financial responsibilities, such as mortgages, family support obligations, and retirement planning. As a result, older workers prioritize

financial stability and compensation to meet these obligations and ensure their long-term financial security. This shift in priorities reflects the changing circumstances and priorities that accompany different stages of adulthood.

These findings open the door for the further research into the interplay between age, motivation and workplace preferences, offering valuable insights for organizational management and HR practices.

3.4 Developing recommendations to eliminate the weaknesses of and form effective motivating strategy at Kalev Estienne

The most effective means of enhancing the motivation of coaches is to rethink the role of the coach and delegate responsibility. It is useful to recall the etymology of the word "trainer". TRAINER derives from the Latin "traho", which means "to pull" or "drag". This implies that the role of a coach is to guide a person from their initial state to their goals. However, since a rhythmic gymnastics coach works with children, it is of the utmost importance to shift the focus of training from the result to the process. Just as athletes must be able to cope with excessive stress, fatigue, and emotions, coaches must also be able to do so. A coach must find satisfaction in the training process. I propose the following steps for the increase the motivation of coaches at the Kalev Sports Club:

1. Financial Motivation

The salary at this sports club is slightly above the market rate, which is certainly a significant advantage. However, it is crucial to implement additional financial incentives to retain coaches. One potential strategy is to offer annual bonuses based on the length of time a coach has worked at the club. Additionally, providing personal training opportunities for athletes who are willing to invest additional time in improving their performance could be beneficial. This could involve addressing individual mistakes or elements that are not working as intended.

2. Non-Financial Motivation

It is of the utmost importance to provide coaches with the opportunity for professional growth and development. Participating in training and seminars on a regular basis is an invaluable experience for coaches themselves and for the success of the performance of the club. These events provide coaches with the opportunity to learn the latest trends in gymnastics, new training techniques, changes and additions to the rules of judging (which in rhythmic Gymnastics are yearly), the introduction of new rules in rhythmic gymnastics, and new strategies for choreographing competition programs. It is close to impossible to locate comprehensive information on the Internet on your own as only a small part of it is in the open access. Moreover, gymnastics is a rapidly evolving and developing sport. The specialized Training conducted by coaches of the Olympic national team level can provide valuable coaching insights and techniques, which will are enabling coaches to enhance their students' programs and elevate their gymnasts' training to a new level. By financing the participation of coaches in such training programs, the Kalev will not only invest in the professional development of its coaches but also in the club's overall growth and advancement. Aditionally, the Certificates of the seminar attendances or diplomas of participation in training programs, displayed on the club's website and in the club's gym, can serve as a valuable means of demonstrating the club's commitment to professional development and competence in the field of rhythmic gymnastics.

Furthermore, it is recommended that the coaches be included in the decision-making process of the club. Currently, all decisions are made by one individual, the club owner. Madame Evelyn is of an advanced age, is not regularly present at training sessions, is often late, and, unfortunately, due to her age, has absolutely no knowledge of modern technology (computers, programs on her phone). All of this significantly slows down the decision-making process in the club, communication is done the old-fashioned way—by phone or SMS. It would be reasonable to delegate authority over training programs, training schedules, equipment, and the distribution of female athletes by groups. It would also be beneficial to divide the work area between coaches based on their skills, experience, or preferences. For example, one coach could be responsible

for overseeing safety, another for coordinating events and competitions, and another for communicating with parents of female athletes.

I also believe that a well-designed job description can also assist in the organization of work. This is of significant importance for several reasons:

- 1. Responsibilities are clearly defined. This enables the trainer to comprehend the expectations placed upon them and the responsibilities they are expected to fulfill in their role.
- 2. Organization of work. By understanding the responsibilities, the coach is able to plan their work more effectively and allocate time between different tasks.
- 3. Dispute and conflict resolution. In the event of disputes or conflicts, the job description can serve as a basis for resolving such conflicts, as it describes the coach's area of responsibility and their rights to perform certain actions.

Another important recommendation would be to have business meetings of all coaches several times a year. At these meetings, current issues can be discussed collectively, plans and strategies for the near future can be developed, work with different age categories of female athletes can be prioritized, team spirit and a sense of belonging to a common goal can be strengthened, and the hierarchy in the coaching team and the sphere of responsibility of each coach can be clarified.

Another non-material motivation for coaches can be the organization of internal events to strengthen team spirit. The Kalev club holds twice-yearly celebrations for female athletes (before Christmas and before summer vacation). These festivities include a small concert and a banquet for the female athletes. However, for the coaches, these events represent an extension of their work. It would be beneficial to organize additional activities, such as a brunch, a trip to the theater, or a picnic outing. These meetings foster a sense of trust, openness, and mutual understanding. The informal atmosphere facilitates the observation of colleagues from a novel perspective.

CONCLUSIONS

This research proves what a significant role does the employee remuneration, encompassing both financial and nonfinancial incentives, plays in employy motivation, job satisfaction, and retention.

Chapter 1, "Theoretical foundation of motivation at the workplace and remuneration," laid the groundwork by examining the fundamental principles of work motivation. It begins by defining remuneration beyond financial rewards, encompassing both tangible and intangible incentives. Motivation is explored as a multifaceted process influenced by various theories such as Maslow's Hierarchy of Needs and Herzberg's Two-Factor Theory. The importance of recognition and intangible incentives in fostering motivation and creating a positive work environment is emphasized, supported by theories and practical examples. Cultural and social aspects of remuneration are examined, highlighting the need for fairness and inclusivity to ensure employee satisfaction and retention. Challenges such as inequality in remuneration and lack of transparency are acknowledged, along with strategies to address them effectively. Overall, the chapter advocates for a balanced approach to remuneration, integrating both financial and non-financial incentives while considering individual needs, to cultivate a motivated and engaged workforce.

Chapter 2 "Study of Kalev Estienne and its presence on the market," delves into the organizational structure and economic activities of Kalev Estienne, the oldest and largest rhythmic gymnastics club in Canada. Founded in 1951 Kalev has been instrumental in promoting and nurturing gymnasts for over 70 years. The chapter also analyzes Kalev's competitive advantages, economic planning, HR management, and strategic management, including a SWOT analysis highlighting its strengths, weaknesses, opportunities, and threats. Therefore it provides a comprehensive overview of the enterprise which is the essential base for the next chapter of this paper wich includes the empirical research.

Finally, chapter 3, "Analysis of the role of remuneration in the employee's motivation at Kalev Estienne," delved deeper into the specific challenges faced by

coaches within the club. A comprehensive survey was conducted among former employees of Kalev Estienne to evaluate the motivational environment and understand the role of remuneration in employee motivation. The interviews were designed to gather detailed insights into various aspects of the work environment, including motivation, job satisfaction, organizational culture, and the relationship with the founder. Based on the results of the recearch it became evident that while the competitive salaries initially attracted coaches to Kalev Estienne (the highest rate on the market), the lack of non-material incentives, such as recognition and professional development opportunities, hindered long-term retention. This indicates a need for changes in personnel management and communication processes.

While the research provided valuable insights, it was limited by the age range of participants. To explore the relationship between age and motivation further, a follow-up survey was conducted with different age groups. Findings indicated differences in the importance of financial and non-financial incentives based on age, suggesting the need for tailored motivational strategies.

To address the weaknesses identified, recommendations were proposed. They emphasize redefining the role of coaches to focus on the training process and finding satisfaction in their work. The chapter proposes additional performance-based financial incentives, along with non-financial incentives like professional development opportunities. Delegating decision-making authority from higher management to coaches and involving them in the club's decision-making process are suggested to empower them and streamline communication. Furthermore, clear job descriptions and regular business meetings among coaches are recommended to define roles, resolve disputes, and strengthen team cohesion. Additionally, organizing internal events to foster a sense of community among coaches is proposed. Overall, the chapter offers a comprehensive strategy to enhance motivation and address weaknesses at Kalev Estienne.

The overarching conclusion drawn from this thesis is that a holistic approach to employee motivation is essential for creating a positive work environment and maximizing organizational performance.

It is imperative for Kalev Estienne to implement the recommendations outlined in this thesis. By revisiting the remuneration structure, investing in professional development opportunities, and fostering a culture of open communication and recognition, Kalev Estienne can cultivate a supportive and rewarding work environment where coaches feel valued, empowered, and motivated to excel.

In conclusion, this thesis serves as a roadmap for Kalev Estienne to navigate the complexities of employee motivation and drive organizational success. By embracing the principles outlined herein, Kalev Estienne can position itself as a leader in the realm of rhythmic gymnastics, attracting top talent and nurturing a thriving community of coaches dedicated to excellence.

REFERENCES

- 1. Armstrong, M., Brown, D. (2001). New Dimensions in Pay Management. Велика Британія: Chartered Institute of Personnel and Development.

 https://www.google.fr/books/edition/New_Dimensions_in_Pay_Management/xnB

 0091Z4p0C?hl=uk&gbpv=1&pg=PA8&printsec=frontcover
- Spielberger, C. (2004). In Encyclopedia of Applied Psychology (Vol. 2688, Ser. 0080547745, 9780080547749). essay, Academic Press.
 https://books.google.fr/books?id=q8tUSCDORzwC&lpg=PR1&ots=B1Q3P5uTy
 b&dq=Fiona%20Patterson%2C%20in%20Encyclopedia%20of%20Applied%20P
 sychology%2C%202004&lr&hl=uk&pg=PR14#v=onepage&q=Fiona%20Patters
 on,%20in%20Encyclopedia%20of%20Applied%20Psychology,%202004&f=fals
 e
- Patterson, Fiona & Kerrin, Maire & Gatto-Roissard, Geraldine. (2009).
 Characteristics & Behaviours of Innovative People in Organisations.
 https://www.researchgate.net/publication/242102530 Characteristics Behaviours of Innovative People in Organisations
- UWASE, Patience. (2023). Influence of Remuneration Structure on Employee
 Performance at MTN Rwandacell Headquarters. Journal of Human Resource
 &Leadership. 7. 26-43. 10.53819/81018102t4146.
 https://www.researchgate.net/publication/371263009_Influence_of_Remuneration_Nature_on_Employee_Performance_at_MTN_Rwandacell_Headquarters
- Akindapo, Alimi & Adegun, & Olugbenga Solomon, Agboola. (2023).
 International Journal of Research in Education Humanities and Commerce PERFORMANCE: EVIDENCE FROM NIGERIAN FIRMS. International Journal of Research in Education Humanities and Commerce. 04. 85-105. 10.37602/IJREHC.2023.4607.
 - https://www.researchgate.net/publication/375450837_International_Journal_of_R esearch_in_Education_Humanities_and_Commerce_BOARD_STRUCTURE_RE

- MUNERATION_AND_CORPORATE_FINANCIAL_PERFORMANCE_EVIDE

 NCE FROM NIGERIAN FIRMS
- 6. Mura, Ladislav & Gontkovicova, Barbora & Dul'ová Spišáková, Emília & Hajduova, Zuzana. (2019). Position of Employee Benefits in Remuneration Structure. Transformations in Business and Economics. 18. 156-173. https://www.researchgate.net/publication/333972612_Position_of_Employee_Benefits_in_Remuneration_Structure
- 7. Lang, Vida & Sorgo, Andrej. (2024). Motivation to learn Biology: Adaptation and validation of a Science Motivation Questionnaire with Slovene secondary school students. International Journal of Instruction. 17. 137-156.

 https://www.researchgate.net/publication/379448431_Motivation_to_learn_Biology_Adaptation_and_validation_of_a_Science_Motivation_Questionnaire_with_S_lovene_secondary_school_students
- 8. Espinosa Cevallos, Ligia & Soto, Sandy & Rojas Encalada, Maria. (2024).

 Studies on motivation and EFL teaching and learning in Ecuador. 5. 1-14.

 https://www.researchgate.net/publication/379476683_Studies_on_motivation_and_EFL_teaching_and_learning_in_Ecuador
- 9. Dorman, Clark & Gaudiano, Paolo & Motivation, P.. (1999). Motivation. https://www.researchgate.net/publication/2339365 Motivation
- 10. Lévy-Leboyer, C. (2006). La motivation au travail. Modèles et stratégies, 3. https://www.academia.edu/download/65420683/La Motivation au Travail.pdf
- MORIN, E. et C. AUBÉ. 2007. Psychologie et management, 2e édition, Montréal : Chenelière Éducation. MOTOWIDLO, S. 1.
 https://semaphore.uqar.ca/id/eprint/703/1/Ping_Wang_juillet2011.pdf
- Diez, R. & Carton, P. (2013). De la reconnaissance à la motivation au travail. L'Expansion Management Review, 150, 104-112.
 https://doi.org/10.3917/emr.150.0104
- 13. Camilleri, Mark Anthony & Troise, Ciro & Morrison, Alastair M. (2023). Motivations and commitment to work in the hospitality industry:

- Investigating employee psychology and responsible organizational behaviors. Tourism Review. 79. 10.1108/TR-12-2022-0611.

 https://www.researchgate.net/publication/372109833_Motivations_and_c
 ommitment_to_work_in_the_hospitality_industry_Investigating_employe
 e psychology and responsible organizational behaviors
- 14. Virgolino, Ana & Coelho, Arnaldo & Ribeiro, Neuza. (2017). The Impact of Perceived Organizational Justice, Psychological Contract, and the Burnout on Employee Performance: The Moderating Role of Organizational Support, in the Portuguese Context. International Journal of Academic Research in Business and Social Sciences. 7. 2222-6990. 10.6007/IJARBSS/v7-i1/2604.
 - https://www.researchgate.net/publication/313819491_The_Impact_of_Per_ceived_Organizational_Justice_Psychological_Contract_and_the_Burnout_on_Employee_Performance_The_Moderating_Role_of_Organizational_Support_in_the_Portuguese_Context
- 15. Wang, Zhining & Meng, Lijun & Cai, Shaohan. (2019). Servant leadership and innovative behavior: a moderated mediation. Journal of Managerial Psychology. ahead-of-print. 10.1108/JMP-11-2018-0499. https://www.researchgate.net/publication/336255547_Servant_leadership and innovative behavior a moderated mediation
- 16. Rajagukguk, D.H. & Desiana, P.M.. (2021). The effect of job resources and public service motivation on affective commitment: The mediating role of work engagement. 10.1201/9781003196013-26.
 https://www.researchgate.net/publication/355857616 The effect of job
 - https://www.researchgate.net/publication/355857616_The_effect_of_job_resources_and_public_service_motivation_on_affective_commitment_The_mediating_role_of_work_engagement
- 17. Baranskaya S. S. Methodology of measuring loyalty. Psychological research: electronic scientific journal. 2021. № 1(15).

- http://www.psystudy.com/index.php/num/2011n1-15/436-
- 18. Surridge, M., & Gillespie, A. (2021, May 28). Cambridge International AS & A Level Business Second Edition. Hodder Education.

 <a href="http://books.google.ie/books?id=f1D-DwAAQBAJ&dq=Cambridge+International+AS+%26+A+Level+Business+Coursebook+with+Digital+Access&hl=&cd=2&source=gbs_api
- Article: Motivation in Action: The Case of Trader Joe's
 https://open.lib.umn.edu/organizationalbehavior/chapter/5-5-motivation-in-action-the-case-of-trader-joes/
- Maslow, A. H. (1943). A theory of human motivation. Psychological Review, 50(4), 370-96.
 https://psychclassics.yorku.ca/Maslow/motivation.htm
- 21. Article: Herzberg's two-factor theory, By Charlotte Nickerson, Updated September 28, 2023
 https://www.simplypsychology.org/herzbergs-two-factor-theory.html
- 22. Kirsten, Elize & du Toit, Elda. (2018). The relationship between remuneration and financial performance for companies listed on the Johannesburg Stock Exchange. South African Journal of Economic and management Sciences. 21. 10.4102/sajems.v21i1.2004.

 https://www.researchgate.net/publication/324729747 The relationship between remuneration and financial performance for companies listed on the Johannesburg Stock Exchange
- 23. Adam, Mohamed & Youssef, Amr & Sakr, Ahmed. (2019). The Effect of Executive Compensation on Financial Performance in Egypt. OALib. 06. 1-14. 10.4236/oalib.1105760.
 https://www.researchgate.net/publication/337892687_The_Effect_of_Executive Compensation on Financial Performance in Egypt
- 24. Junarsin, E.. (2011). Executive compensation and firm performance: An empirical examination. European Journal of Economics, Finance and Administrative Sciences. 163-179.

- https://www.researchgate.net/publication/287478189_Executive_compens ation and firm performance An empirical examination
- 25. Wahyuhadi, Joni & Hidayah, Nur & Aini, Qurratul. (2022). A Model of Performance Evaluation for Healthcare Workers Based on Satisfaction and Remuneration (Financial and Non-Financial). Folia Medica Indonesiana.
 - https://www.researchgate.net/publication/366145124_A_Model_of_Performance_Evaluation_for_Healthcare_Workers_Based_on_Satisfaction_and_Remuneration_Financial_and_Non-Financial_
- 26. Indeed Editorial Team. (2021, June 12). What is a Bonus? Definition and Types. Indeed India.
 https://in.indeed.com/career-advice/pay-salary/what-is-a-bonus
- 27. Calvin, O. Y. (2017). The Impact of Remuneration on Employees' Performance (A Study of Abdul Gusau Polytechnic, Talata-Mafara and State College of Education Maru, Zamfara State). Arabian Journal of Business and Management Review (Nigerian Chapter), 4(2), 34-43. https://doi.org/10.12816/0037554
- 28. Heathfield, S. (2022, September 13). *How to Use Sales Commissions To Motivate Employees*. The balance.

 https://www.thebalancemoney.com/what-is-a-sales-commission-1917856
- 29. Surbhi, S. (2018, July 26). *Difference Between Salary and Wages*. Key Differences.

 https://keydifferences.com/difference-between-salary-and
 - https://keydifferences.com/difference-between-salary-and-wages.html#ixzz4IG1CT6Vu
- 30. Remuneration: HR Terms Explained | Pelago. (n.d.). https://www.pelagohealth.com/resources/hr-glossary/remuneration/
- 31. The Investopedia Team. (2022, July 26). *Remuneration*. Investopedia. https://www.investopedia.com/terms/r/remuneration.asp
- 32. Ministry of the Attorney General; The Office of the Public Guardian and Trustee "Not-for-Profit Incorporator's" Handbook

- https://www.publications.gov.on.ca/store/20170501121/Free_Download_ Files/300775.pdf
- 33. Guide to the Not-for-Profit Corporations Act, 2010. (n.d.). ontario.ca. https://www.ontario.ca/page/guide-not-profit-corporations-act-2010#section-2
- 34. Law Document English View. (2018, November 19). Ontario.ca. https://www.ontario.ca/laws/statute/10n15
- 35. Sport recognition policy for provincial and multi-sport organizations. (n.d.). ontario.ca. https://www.ontario.ca/page/sport-recognition-policy-provincial-and-multi-sport-organizations#section-0
- 36. Facebook Kalev Estienne https://www.facebook.com/kalevEstienne/
- 37. *ABOUT US KALEV*. (n.d.). KALEV. https://www.kalevEstienne.com/about-us
- 38. Instagram. (n.d.).

 https://www.instagram.com/kalevEstienne/?igshid=NTc4MTIwNjQ2YQ
 %3D%3D
- 39. Instagram. (n.d.). https://www.instagram.com/koopcup/
- 40. WAG GO 2023-2024 REGISTRATION. (n.d.). Ksis. https://www.rgform.eu/event.php?id_prop=5259
- 41. SUMMER CAMP KALEV. (n.d.). KALEV. https://www.kalevEstienne.com/camp
- 42. PROGRAMS & SCHEDULES KALEV. (n.d.). KALEV. https://www.kalevEstienne.com/programs
- 43. NCCP Gymnastics Foundations Program | Gymnastics Ontario. (n.d.). https://www.gymnasticsontario.ca/education/coach-ed/nccp-course-information/

- 44. Schmidt, Steven. (2007). The Relationship between Satisfaction with Workplace Training and Overall Job Satisfaction. Human Resource Development Quarterly. 18. 481 498. 10.1002/hrdq.1216.
 - https://www.researchgate.net/publication/227657996_The_Relationship_b etween_Satisfaction_with_Workplace_Training_and_Overall_Job_Satisfaction_
- 45. Francis, Lipuku., Hellen, Wothaya, Sang., Williter, Chepkemoi, Rop. (2022).

 Reward and Compensation Management Initiatives on Employee Performance:

 An Evidence of Organization Development Initiatives. East African journal of business and economics,

 https://journals.eanso.org/index.php/eajbe/article/view/552
- 46. Achim, Nur`ain & Ismail, Nuraishah & Mohsin, Farhana. (2020). Employee Commitment: Through Training Opportunities and Organization Compensation System. 6. 81-91.
 - https://www.researchgate.net/publication/345705210_Employee_Commitment_T hrough_Training_Opportunities_and_Organization_Compensation_System_
- 47. Putri, Mercy & Hartati, Anis & Haryadi, Agus. (2021). THE INFLUENCE OF ORGANIZATION COMMITMENT AND COMPENSATION ON EMPLOYEE PERFORMANCE MEDIATED BY ORGANIZATIONAL CITIZENSHIP BEHAVIOR (OCB). Jurnal Ekonomi dan Bisnis Airlangga. 31. 74. 10.20473/jeba.V31I22021.74-82.
 - https://www.researchgate.net/publication/356499949_THE_INFLUENCE_OF_O
 RGANIZATION_COMMITMENT_AND_COMPENSATION_ON_EMPLOYEE
 PERFORMANCE_MEDIATED_BY_ORGANIZATIONAL_CITIZENSHIP_B
 EHAVIOR_OCB
- 48. Hickenlooper,S., B., Richard, E., K., Blumenthal, S., G. (2022). Influence of Non-Financial Rewards on Performance of Employees in Jpmorgan Chase & Company in USA. Journal of Human Resource & Leadership, 6(3), 37-46. https://doi.org/10.53819/81018102t5097

49. KIRTI MITTAL, (2023). Role of non-monetary motivation of employees: a quantitative study.

http://psychologyandeducation.net/pae/index.php/pae/article/view/7743/6140

50. E., Chuke, Nwude., Joseph, I., Uduji. (2013). An Empirical Investigation of How the Unified Pay Structures Affects Job Performance in the Federal Teaching Hospitals in Nigeria. Research Journal of Finance and Accounting,

https://www.iiste.org/Journals/index.php/RJFA/article/view/4970

- 51.Ken Abosch (2015) The benefits of differentiated pay

 https://www.hrreporter.com/news/hr-news/the-benefits-of-differentiated-pay/281246
- 52. Faster Capital Team (n.d.). Hybrid Compensation Models.

 https://fastercapital.com/topics/hybrid-compensation-models.html
- 53. Herzbergs Two-Factor Theory of Motivation. (n.d.). https://www.managementstudyguide.com/herzbergs-theory-motivation.htm
- 54. Avis sur Trader Joe's : comment est le travail chez Trader Joe's ? (n.d.). Glassdoor.

https://www.glassdoor.fr/Avis/Trader-Joe-s-Avis-E5631.htm

ANNEXES

Annex A

The Guide for the Survey Interviews

General questions

1. How long did you work at the Rhythmic Gymnastics Club?

Less than 6 months

6 months to 1 year

1-2 years

More than 2 years

2. What was your position at the club?

Motivation and Job Satisfaction

- 1. What initially motivated you to work at the Kalev Estienne?
- 2. How satisfied were you with your job overall during your time at the club? (Scale: 1-5, 1 being very dissatisfied and 5 being very satisfied)
- 3. Did you feel recognized and appreciated for your contributions at the club?
- 4. Are you willing to use your day off to work if necessary?

Organizational Culture

- 1. How would you describe the organizational culture at the Rhythmic Gymnastics Club?
- 2. Did you feel there was a culture of favoritism within the club? If yes, please provide examples.
- 3. Were there opportunities for professional growth and development within the club?

Relationship with the Founder

- 1. Describe your relationship with the founder of the club.
- 2. Have there been any cases of disrespectful attitude on the part of the manager?
- 3. Did the founder's attitude towards you influence your decision to leave the club? If yes, how?

Prospects and Remuneration

- 1. Did you see long-term prospects for your career within Kaley?
- 2. Do you think that you can apply all your qualifying skills to this club during training?
- 3. How many times have you made suggestions to improve the training process? How many of them were used?
- 4. How important was remuneration (salary, benefits, etc.) in your decision to leave the club?
- 5. Were there any other factors besides those mentioned above that influenced your decision to leave the club? If yes, please specify.

Improvement

Please provide any additional comments or suggestions for improving the work environment at the Kalev.