

Research on Incentive Mechanism for New-Generation Employees Based on Maslow's Hierarchy of Needs Theory

Yi Wang^{1,a} and Xiaowei Niu^{2,b*}

¹*Economics and Management College, Zhaoqing University, Zhaoqing 526061, Guangdong, China*

²*Communist Youth League Committee of Zhaoqing University, Zhaoqing University, Zhaoqing 526061, Guangdong, China*

^a*wangyi@zqu.edu.cn*, ^b*2018019058@zqu.edu.cn*

**Corresponding author*

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Abstract: This paper investigates the incentive mechanisms for new-generation employees grounded in Maslow's Hierarchy of Needs Theory. By employing questionnaires and data analysis, the study explores the needs and satisfaction levels of this cohort across five needs levels: physiological, safety, social, esteem, and self-actualization. Findings reveal significant pressure on physiological needs with low satisfaction on compensation, benefits, and work environment. New-generation employees prefer harmonious and open work environments, crave respect and recognition, and prioritize personal growth and development. Based on these insights, the paper recommends optimizing compensation systems, fostering a positive team atmosphere, establishing fair and transparent incentive mechanisms, focusing on personal development, and attending to mental health. These suggestions aim to enhance motivation, work enthusiasm, and loyalty among new-generation employees, ultimately promoting sustainable enterprise development.

1. Introduction

In the context of economic globalization and the rapid development of the knowledge economy, competition among enterprises has become increasingly fierce. Talent, as the core resource driving the sustainable development of enterprises, has become increasingly prominent in its importance. New-generation employees, as an emerging force in the workplace, have gradually become the

focus of enterprise management with their unique values, behavioral characteristics, and work attitudes (Xiao Yujia, 2024)^[1]. However, while pursuing economic benefits, many enterprises often neglect the improvement of employee incentive mechanisms, leading to frequent issues such as talent loss, low employee motivation, and inefficient work, which further restricts the further development of enterprises (Zhou Jingyi, 2024)^[2]. Therefore, how to effectively motivate new-generation employees and tap their potential has become an urgent issue for enterprise management.

New-generation employees mainly refer to the young group born in the 1990s and beyond. They grew up in an era of rapid reform and opening-up and market economy development, deeply influenced by multiple factors such as the Internet, information technology, and globalization, forming values, lifestyles, and work attitudes that are distinctly different from their predecessors. They have distinct personalities, pursue freedom, equality, and innovation, focus on personal growth and self-realization, and are skeptical of traditional hierarchical management, rigid systems, and single incentive methods (Zhang Jing, 2023)^[3]. Therefore, traditional employee incentive methods appear inadequate when facing new-generation employees, making it difficult to achieve the desired effects.

This study aims to deeply explore the incentive mechanism for new-generation employees by introducing Maslow's Hierarchy of Needs theory, analyzing the needs of new-generation employees at five levels: physiological, safety, social, esteem, and self-actualization, and proposing targeted incentive strategies accordingly. Although Maslow's Hierarchy of Needs theory is not the latest or most cutting-edge theory, its classicality and universality give it an irreplaceable advantage in analyzing the structure of human needs (Han Jingshu, Dong Haiyan, 2021)^[4]. This theory can clearly reveal the changing needs of new-generation employees during their career development and provide a solid theoretical foundation for constructing an effective incentive mechanism. Researching the incentive mechanism for new-generation employees not only helps enterprises attract and retain talent, enhancing their core competitiveness, but also promotes the personal growth and career development of new-generation employees, achieving a win-win situation for both enterprises and employees. Additionally, this study has certain theoretical significance, enriching and improving human resource management theory, especially incentive theories for new-generation employees, providing useful references and insights for subsequent research.

Therefore, based on a thorough review of previous research results and combining the actual characteristics of new-generation employees, this study employs Maslow's Hierarchy of Needs theory to conduct an in-depth analysis of the incentive mechanism for new-generation employees, aiming to propose a set of scientific, reasonable, and effective incentive strategies to provide useful guidance and inspiration for enterprise human resource management practices.

2. Literature Review

As new-generation employees gradually become the main force in the workplace, research on incentive mechanisms for this group has increasingly attracted academic attention. New-generation employees, who have grown up alongside the Internet and information technology, possess distinct personalities and unique values, posing new challenges to traditional human resource management models. Based on an extensive review of relevant domestic and international literature, this paper summarizes the current research status of incentive mechanisms for new-generation employees.

2.1 Characteristics and Needs of New-Generation Employees

The definition of the age range for new-generation employees in China is not entirely consistent, but it generally refers to the post-90s and post-00s generations (Wang Qi, 2024)^[5]. They have

grown up in an era of information explosion and economic globalization, with unique backgrounds and values. They generally have received higher education, possess strong learning abilities and innovative consciousness, and also pay more attention to the realization of personal value and the balance between work and life (Ning Guizhi, 2023) ^[6]. In terms of needs, new-generation employees not only pursue material satisfaction but also attach greater importance to spiritual incentives such as respect, recognition, and self-actualization (Wei Chaoyun, 2023) ^[7].

2.2 Current Situation and Issues of Incentive Mechanisms for New-Generation Employees

Currently, enterprises face several challenges and issues in the incentive mechanisms for new-generation employees. On the one hand, traditional incentive methods, such as single material rewards, are no longer sufficient to meet the diversified needs of new-generation employees. On the other hand, enterprises often lack specificity and personalization in the design of incentive mechanisms, ignoring the uniqueness and differences of new-generation employees (Huang Junrong, 2022) ^[8]. Furthermore, some enterprises have problems such as poor communication and untimely feedback during the incentive process, which affect the incentive effectiveness (Deng Weijuan, 2020) ^[9].

2.3 Research on Incentive Mechanisms Based on Maslow's Hierarchy of Needs Theory

As one of the classic incentive theories, Maslow's Hierarchy of Needs Theory provides a powerful theoretical framework for analyzing the incentive mechanisms of new-generation employees. The theory divides human needs into five levels: physiological needs, safety needs, social needs, esteem needs, and self-actualization needs, and points out that when lower-level needs are satisfied, people will pursue higher-level needs (Pang Ran, 2012) ^[10]. In the research on incentive mechanisms for new-generation employees, many scholars have used Maslow's Hierarchy of Needs Theory to analyze the need structure of new-generation employees and proposed corresponding incentive strategies (Liu Xingmei, Liang Xu, 2017) ^[11].

2.4 Other Relevant Theories and Empirical Research

In addition to Maslow's Hierarchy of Needs Theory, scholars have also employed other theories to study the incentive mechanisms for new-generation employees. For instance, Herzberg's Two-Factor Theory emphasizes the distinct roles of motivating factors and hygiene factors in employee motivation (Thant M Z, Chang Y, 2020) ^[12]; Equity Theory focuses on employees' perceptions of fairness and comparison psychology in the incentive process (R. C. S., Sarah H., 2024) ^[13]. Furthermore, some empirical research has explored the incentive preferences and influencing factors of new-generation employees, such as job autonomy, challenge, career development opportunities, etc. (Shi Lei, 2021) ^[14].

In summary, research on the incentive mechanisms for new-generation employees has achieved certain results, but there are still some deficiencies and challenges. Future research can further integrate the actual characteristics and needs of new-generation employees, utilize multiple theoretical frameworks for in-depth analysis, and propose more specific and feasible incentive strategies. At the same time, empirical research plays a crucial role in validating theoretical assumptions and discovering new issues, and should therefore be prioritized.

3. Questionnaire Design and Survey Data Analysis

3.1 Questionnaire Design

To gain a deeper understanding of the needs and current incentive status of new-generation employees, this study designed a questionnaire encompassing multi-dimensional questions. The content of the questionnaire covers various aspects, including basic information of new-generation employees, job satisfaction, preferences for incentive factors, and opinions on current incentive mechanisms. The questionnaire adopts a Likert five-point scale, ranging from "very dissatisfied" to "very satisfied," to more accurately quantify employees' attitudes and opinions. During the questionnaire design process, we referred to mature scales from relevant domestic and international research and made appropriate modifications and supplements based on the actual characteristics of new-generation employees to ensure the validity and specificity of the questionnaire.

3.2 Descriptive Statistical Analysis of Survey Samples

The survey was conducted using an online questionnaire format. A total of 300 questionnaires were distributed, with 286 valid responses received, yielding an effective response rate of 95.33%. The basic characteristics of the sample are presented in Table 1:

Table 1: Basic Information of New-Generation Employee Survey

Category	Sub-category	Percentage
Age	18-23	7.58%
	24-29	60.67%
	30-35	31.75%
Gender	Male	47.27%
	Female	52.73%
Education	Junior college	25.75%
	University degree	57.58%
	Above university	16.67%
Job Level	Support staff	25.76%
	Technical staff	24.24%
	Management staff	50%
Salary Range (yuan/month, RMB)	Below 5000	37.88%
	5100-7000	27.27%
	7100-9000	19.7%
	Above 9000	15.15%

Based on the sample data, it is evident that the majority of new-generation employees surveyed are aged between 24-29, with a higher proportion being female. In terms of education, 74.25% of the employees hold a bachelor's degree or higher, indicating that new-generation employees generally possess a high educational background. Regarding job levels, managers account for the highest proportion, at 50%, suggesting that the survey sample includes a certain proportion of middle and senior managers. In terms of salary range, the majority of employees' salaries are concentrated between 3,000-7,000 yuan per month, accounting for 65.15% of the respondents. The gender, age, education, and job level distributions of the sample are relatively balanced, ensuring a certain level of representativeness.

3.3 Survey on Job Satisfaction of New-Generation Employees

Based on the analysis of survey data, we have drawn a series of conclusions (see Figure 1). Firstly, the most urgent issue lies in the physiological needs aspect, where only 43.18% of new-generation employees expressed satisfaction. Nearly 20% of them explicitly expressed dissatisfaction, making this the lowest satisfaction level among all five categories of needs. This highlights the significant pressure faced by new-generation employees in meeting their basic living needs. Companies should prioritize addressing employees' physiological needs, such as salary, benefits, and working environment, by providing more welfare support like health insurance and employee care programs to ensure their basic needs are met and to improve overall satisfaction. In terms of safety needs, respect needs, and self-actualization needs, new-generation employees' satisfaction levels are relatively similar. For social needs, the proportion of new-generation employees expressing dissatisfaction is the lowest. Overall, new-generation employees' average satisfaction score for their job as a whole is 3.6, which is above average. Among the various aspects, they express higher satisfaction with the working environment and team atmosphere, while satisfaction with salary and benefits as well as promotion opportunities is relatively lower.

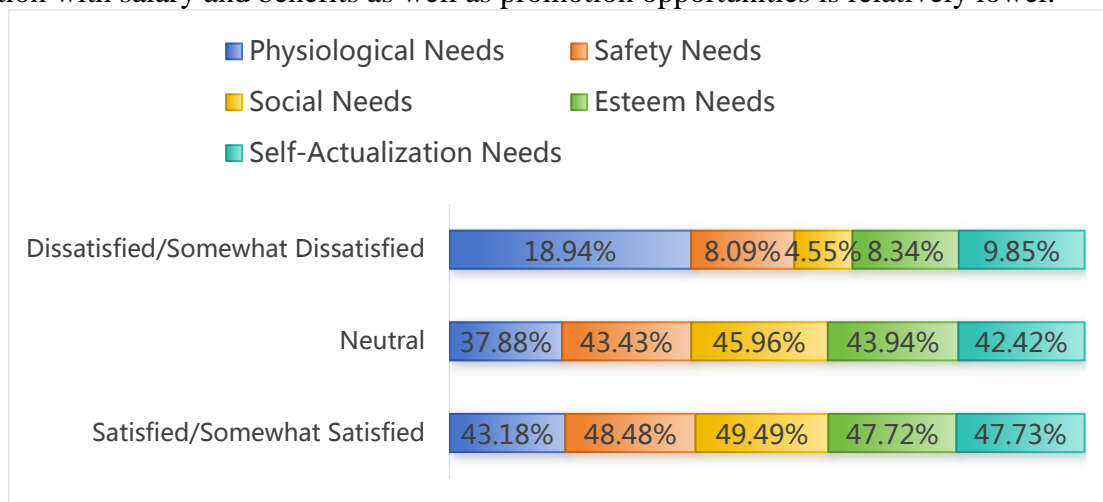


Figure 1: Comparison of New-Generation Employees' Satisfaction with Various Needs

From the survey results on detailed indicators of new-generation employees' satisfaction with their needs (see Figure 2), we can observe that while their overall job satisfaction is above average, they express relatively lower satisfaction with salary and benefits as well as promotion opportunities. In terms of preferences for incentive factors, new-generation employees place greater emphasis on personal growth and development, job autonomy, and recognition and respect from leaders. Currently, there is significant room for improvement in the incentive mechanisms for new-generation employees within companies. Therefore, companies should optimize their incentive mechanisms based on the characteristics and needs of new-generation employees to enhance employees' job satisfaction and loyalty, thereby promoting the sustained development of the company.

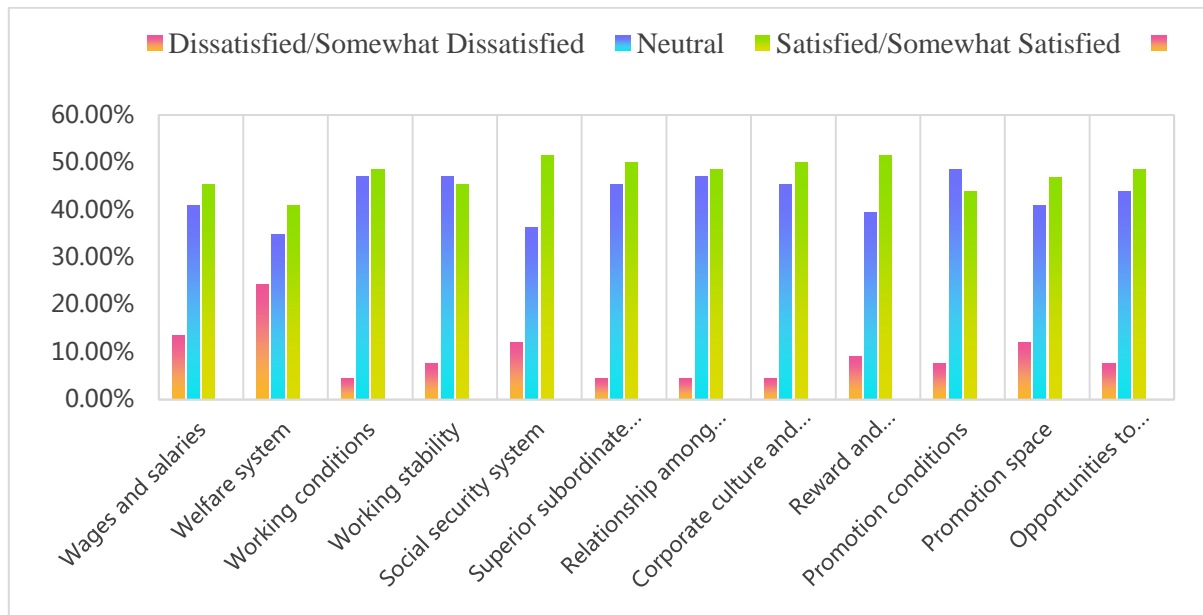


Figure 2: Comparison of Detailed Indicators of New-Generation Employees' Satisfaction with Their Needs

Regarding the evaluation of the effectiveness of current incentive mechanisms, survey data shows that only 30% of new-generation employees believe their company's incentive mechanisms are relatively effective in stimulating their work enthusiasm and creativity. Meanwhile, 45% of employees consider the incentive mechanisms to be average, and 25% express dissatisfaction with the current incentive mechanisms (see Figure 3). This indicates that there is still significant room for improvement in the incentive mechanisms for new-generation employees within companies.

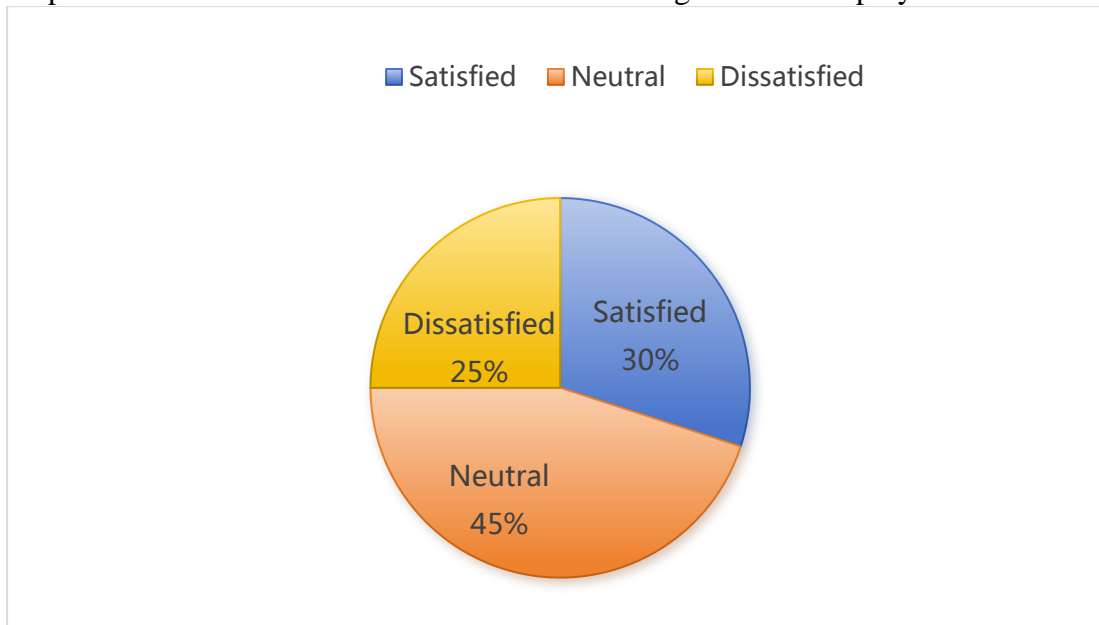


Figure 3: New-Generation Employees' Evaluation of Satisfaction with Incentive Mechanisms

4. Application of Maslow's Hierarchy of Needs in Incentivizing New-Generation Employees

Maslow's Hierarchy of Needs aligns closely with the incentive needs of new-generation employees, providing a powerful theoretical framework for understanding their motivational requirements. Through questionnaire surveys, we have found that new-generation employees not only focus on material aspects such as salary and benefits (corresponding to physiological and safety needs), but also value personal growth and development, job autonomy, recognition and respect from leaders, as well as work-life balance (corresponding to social, respect, and self-actualization needs). This section will delve into the specific application of Maslow's Hierarchy of Needs in incentivizing new-generation employees and propose corresponding incentive strategies.

4.1 Fulfilling Physiological and Safety Needs

Some studies suggest that new-generation employees, being a generation of abundance, do not prioritize material possessions and instead value spiritual pursuits (Yao Le, 2022) ^[15]. However, our survey reveals that in terms of physiological needs, new-generation employees' satisfaction with salaries is 45.46%, with benefit systems at 40.91%, and with the social security system at 51.51%. These figures are generally not high. As the most basic level of needs, physiological needs remain important to new-generation employees. Despite growing up in a relatively materially abundant era, reasonable salaries and benefits remain the foundation of motivation. Companies should pay attention to new-generation employees' expectations regarding salaries, design competitive compensation systems, and provide competitive salaries and benefits to ensure that employees' basic living needs are met. Additionally, establishing comprehensive benefit systems, such as health insurance, flexible working hours, and paid vacations, can enhance employees' sense of security.

It is particularly noteworthy that new-generation employees change jobs more frequently than previous generations, with a significant intergenerational decreasing trend in job stability. Specifically, the average tenure for the first job of the post-70s generation exceeds four years, for the post-80s it is three and a half years, for the post-90s it shortens to 19 months, and for the post-95s, it is only seven months before they choose to resign (Xie Yang, 2019) ^[16]. This trend indicates that, with generational changes, the stability of new-generation employees in the workplace gradually decreases. However, this does not mean that new-generation employees do not value job stability. Our survey found that their satisfaction with job stability is only 45.45%, meaning that nearly 60% of new-generation employees are dissatisfied with job stability. Although they pursue change and challenges, new-generation employees also value job stability and future security. Companies should provide a stable work environment, reduce the risk of layoffs, and strengthen the promotion and implementation of social security systems to enhance employees' sense of security.

4.2 Fulfilling Social Needs

An increasing number of post-90s and post-00s, who have grown up alongside new technologies, consider themselves to have "social anxiety." They prefer solitude and tend to keep their physical spaces closed off, avoiding external disturbances (Zhao Yuanyuan, 2024) ^[17]. In recent years, the term "social anxiety" has frequently entered the public's eye, with more and more young people labeling themselves as "socially anxious." According to a survey by a certain media outlet, 97% of participants exhibited avoidance or even fear of social interactions. However, our survey found that new-generation employees' satisfaction with superior-subordinate relationships is 50%, and their satisfaction with colleague relationships is 48.49%. This suggests that new-generation employees do have social needs, but these needs have changed. Corporate managers must confront this change

in social needs and provide employees with better social experiences. Social needs emphasize interpersonal relationships and a sense of belonging. New-generation employees are more inclined to work in harmonious and open work environments. Companies should foster a positive team atmosphere, encourage communication and cooperation among employees, strengthen communication between superiors and subordinates, and establish relationships based on trust and support. Not only should team-building activities, employee gatherings, and other means be used to enhance employees' sense of belonging and team cohesion, but also, based on the characteristics of new-generation employees, online communication methods and shared interests should be fully utilized to guide employees in developing more harmonious social relationships. At the same time, providing an open and inclusive work environment allows employees to feel a sense of belonging and acceptance.

4.3 Respect Needs and Incentives

The main characteristics of new-generation employees are their emphasis on fairness, desire for participation and recognition, and low tolerance for pressure. Therefore, they have a high demand for respect and are highly sensitive to it. In this survey, we found that new-generation employees have the lowest satisfaction with respect needs, at 47.73%, with satisfaction regarding the reward and punishment system at 51.51% and satisfaction with promotion criteria at 43.94%. Respect needs, including self-esteem, respect from others, and a sense of achievement, are crucial motivational factors for new-generation employees. They aspire to be recognized and respected in their work and are particularly sensitive to reward and punishment systems and promotion criteria. Companies should establish fair and transparent reward and punishment mechanisms and performance evaluation systems to ensure that employees' efforts are appropriately rewarded. At the same time, clear promotion paths and career development opportunities should be provided, allowing employees to see their growth potential and future prospects within the organization. By regularly recognizing employees and offering career development planning, companies can give employees the recognition and rewards they deserve, fulfilling their respect needs and stimulating their work enthusiasm. Leaders should respect employees' opinions and suggestions, encourage their participation in decision-making processes, and enhance employees' sense of self-worth and respect.

4.4 Stimulating Self-Actualization Needs

Self-actualization needs represent the highest level of needs, manifested in the pursuit of personal potential and the realization of self-worth. New-generation employees prioritize personal growth and development opportunities, aspiring to achieve self-worth through their work. The extent of their focus on personal growth and development opportunities indirectly reflects the intensity of their self-actualization needs. Personal growth and development are among the most significant motivational factors for new-generation employees. Companies should provide ample training and development opportunities to help employees enhance their skills and abilities, enabling them to achieve their personal career goals. Additionally, encouraging employees to participate in decision-making and innovation activities, granting them more autonomy and responsibility in their work, allows them to experience a sense of accomplishment and self-worth in their jobs.

New-generation employees have a stronger emphasis on self, and the pathways to self-actualization are not entirely tied to job achievements. They value work-life balance and desire sufficient time to enjoy life outside of work. Companies should offer flexible working hours and locations, including options such as remote work and flexible work schedules, to cater to employees' individualized needs. At the same time, attention should be given to employees' mental

health, providing necessary psychological support and counseling. Furthermore, establishing effective communication mechanisms enables timely understanding of changes in employees' needs, allowing for adjustments and optimization of incentive strategies to ensure the effectiveness and sustainability of motivational measures.

5. Conclusions and Recommendations

Based on Maslow's Hierarchy of Needs theory, this study conducted an in-depth analysis of the incentive mechanisms for new-generation employees and drew the following conclusions through questionnaire surveys and data analysis:

Physiological Needs as the Foundation: New-generation employees have lower satisfaction with physiological needs, indicating that basic living requirements such as reasonable salaries, benefits, and working environments remain the foundation for motivating them. Companies need to pay attention to the salary expectations of new-generation employees, design competitive compensation systems, and provide comprehensive welfare systems.

Changes in Social Needs: Although new-generation employees are sometimes labeled as "socially awkward," they still have social needs; it's just that the form of these needs has changed. They prefer to work in harmonious and open environments and hope to establish good relationships with colleagues and superiors. Companies should foster a positive team atmosphere, strengthen internal communication, and satisfy the social needs of new-generation employees.

High Sensitivity to Esteem Needs: New-generation employees are highly sensitive to respect and desire recognition and respect in their work. However, current corporate performance in terms of reward and punishment systems and promotion criteria has not fully met their expectations. Companies should establish fair and transparent reward and punishment mechanisms and performance evaluation systems, providing clear promotion paths to satisfy the esteem needs of new-generation employees.

Strong Self-Actualization Needs: New-generation employees prioritize personal growth and development opportunities, aspiring to achieve self-worth through their work. Companies should provide ample training and development opportunities, encourage participation in decision-making and innovation activities, to satisfy their self-actualization needs.

Based on the above conclusions, this study proposes the following recommendations to help companies better motivate new-generation employees:

Optimize Salary and Welfare Systems: Companies should pay attention to the salary expectations of new-generation employees, design competitive compensation systems, and provide comprehensive welfare systems such as health insurance, flexible working hours, and paid vacations to meet employees' basic living needs and improve overall satisfaction.

Foster a Positive Team Atmosphere: Companies should create a good team atmosphere, encourage communication and cooperation among employees, strengthen communication between superiors and subordinates, and establish relationships based on trust and support. Through team-building activities, employee gatherings, and other means, companies can enhance employees' sense of belonging and team cohesion.

Establish Fair and Transparent Incentive Mechanisms: Companies should establish fair and transparent reward and punishment mechanisms and performance evaluation systems to ensure that employees' efforts are rewarded appropriately. At the same time, they should provide clear promotion paths and career development opportunities, allowing employees to see their growth potential and future prospects within the organization.

Focus on Personal Growth and Development: Companies should pay attention to the personal growth and development needs of new-generation employees, provide ample training and

development opportunities to help employees enhance their skills and abilities, and achieve their personal career goals. At the same time, they should encourage employees to participate in decision-making and innovation activities, granting them more autonomy and responsibility in their work, so that employees can experience a sense of accomplishment and self-worth in their jobs.

Pay Attention to Employee Mental Health: New-generation employees place greater emphasis on work-life balance. Companies should offer flexible working hours and locations, including options such as remote work and flexible work schedules, to meet employees' individualized needs. At the same time, they should pay attention to employees' mental health, providing necessary psychological support and counseling to ensure that employees can maintain a positive work state.

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