EXTRINSIC AND INTRINSIC MOTIVATION

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ABSTRACT

Introduction: Motivation has been always being a determinant of job performance. Motivated employees with high levels of job involvement are important elements to every profit or non-profit organization. High level of motivation will lead to high level of productivity because subordinates enjoy in performing their work and feel satisfied in the workplace. There are many theories of motivation such as Maslow's Hierarchy of Needs, Two Factor Theory, Goal Setting Theory, Equity Theory and Expectancy Theory in order to help managers in motivating people. However, due to culture diversity and different individual's needs, motivating people is not a straightforward task.
Purpose: The purpose of this paper is to share the idea what motivates employees differs between one to another based on literature review.
Findings: The most influential factors in motivating employees is extrinsic motivation. It is more to monetary aspect such as good salary, high wages and financial rewards. Most of the findings shows that intrinsic motivation will become stronger motivators once extrinsic motivation exceeds at a certain level.
Conclusion: Employee motivation is necessary in order to get efficient and effective results from human resource. Employee will give their maximum when they have a trust that their efforts will be rewarded by the management. The strategy of motivating employees depends on many factors relating to both individual and organizations. Thus, managers have a crucial responsibility in locating subordinate's motivational factors and implementing it.

Keywords: *Extrinsic motivation, intrinsic motivation, employees*

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1. Introduction

Motivation has been always being a determinant of job performance. Motivated employees with high levels of job involvement are important elements to every profit or non-profit organization. High level of motivation will lead to high level of productivity because subordinates enjoy in performing their work and feel satisfied in the workplace. High motivation employees will lower absenteeism and reduce turn over (Nur Shafina et

al., 2015) add. Therefore, motivated employees are an important asset to every organization.

However, motivation is always become a major challenge faced by the management to ensure every subordinates committed and motivated in performing their tasks and become a good role model for others. Due to the different individual's needs, motivating people is not a straightforward because there is no single or standard method. Methods are depending on situations that subordinate's experience. Thus, managers have a crucial responsibility in locating subordinate's motivational factors and implementing it. Therefore, the purpose of this paper is to share the idea what motivates employees differs between one to another.

2. Definition

The root word of motivation is derived from Latin word *movere* which means to move. Many scholars have described motivation in their own perspectives. According to Hull (1943) & Spence (1956) motivational processes as such do not necessarily control or guide specific forms of behaviour but may at times invigorate innate or learned associative tendencies. Besides that, thoughts, feelings, and actions are often characterized as guided, directed, goal-oriented, persistent, or purposive. In year 1982, Mitchell defined motivation as a psychological process that cause the arousal, direction and persistence of voluntary activities that goal oriented. Later in 1998, Bartol & Martin (1998) describe motivation as a power that strengthens behaviour, gives route to behaviour and triggers the tendency to continue. Therefore, the author conclude that motivation is a process that stimulates a performance based on intended objective that has been set.

3. Motivational Theories

Theories of motivation can be divided to two which are a) Classical theories of motivation, such as Maslow's Hierarchy of Needs, Two factor theory, and McClelland's Theory of Needs, and b) Contemporary theories, such as Goal Setting Theory, Equity Theory and Expectancy Theory.

In classical theories motivation, theorist tried to identify the needs that individuals have and the relationship to motivational factors. Needs includes as either physiological or psychological deficiencies that triggers behaviour to satisfy those needs. The stronger the needs, the higher the motivation to satisfy them. Based form the past literature, the most common needs are money, working conditions, security, good leadership, recognition, achievement and personal development. However, for Contemporary theories, its focus is to understand how and why people are motivated. These theories are more able to appropriately explain the phenomenon of the motivation in the contemporary organizations.

3.1 Example of Classical Theory of Motivation - Maslow's Hierarchy of Needs Theory

Maslow's theory focus on five levels of needs within an individual which are arranged in a hierarchy. These five levels are physiological needs which is the most fundamental human need that forms the lowest hierarchy to be satisfied first such as water, food and

shelter. Next is security needs such as security and protection from physical and emotional threats. The third levels are social or belongingness needs, it relates to a desire to be loved and accepted by others. Fourth is esteem needs which needs personal feelings achievement and self-worth. Lastly it the highest level which is self-actualization needs. This is need for self-fulfilment and to show one's ability to the fullest. The first three level is categorized as lower order needs which are satisfied externally whereby level four and five are higher order needs which are satisfied internally. Lower order needs must be satisfied first in order to be motivated to full fil the higher order needs.

3.2   Example of Contemporary Theory - Goal Setting Theory

Edwin Locke suggested that intention to work towards goal are a major source of motivation. Goals will give direction and guide employees about what needs to be done and how much effort the employee needs to expand. The level of goal can be determined by the employees. Challenging goals result in higher performance compare to easy goals. Feedback is very important to lead the employees to achieve their goals. A major success is the internal belief about one's capabilities and competencies. Employee must consider these five criteria in setting goals: specific, measurable, action oriented, realistic and relevant and time based.

4.   Extrinsic and Intrinsic Motivation

Identifying factors that influence extrinsic and intrinsic motivation is another way to explore about motivation. According to Plotnil & Kouyoumjian (2010) extrinsic motivation means an individual is motivated to perform a behaviour or engage in activity to earn a reward or avoid punishment. Intrinsic motivation involves engaging in a behaviour because it is personally rewarding and performing it is more for own sake or satisfaction rather than the desire for some external reward. Example of behaviours that result from extrinsic motivation is an individual participated with all the activities at the work place to get the award for outstanding worker however for intrinsic motivation he participated is because he feels enjoyable doing it.

Extrinsic motivation is tangible such as salary, incentives, bonuses, promotions and job security. However, intrinsic motivation is intangible such as appreciation, recognition, satisfaction at doing good job and meeting new challenges (Nadia, Syed Sohaib & Humera, 2011). According to Frey (1997) intrinsic factors are stronger motivators once extrinsic factor exceeds at a certain level. But if the management focus more attention to extrinsic motivation it will cause no or less desire to engage in any activities among the employees. Therefore, an organization must carefully set the reward system to evaluate employee's performance and reward them accordingly. Carraher et al. (2006) states that there should be an effective reward system to retain the high performers in the organization and reward should be related to their productivity.

5.   Findings

A research was done by Nadia et al. (2011), 125 questionnaires were distributed among employees of three selected non-profit organizations which are Provisional Earthquake Reconstruction & Rehabilitation Agency (PERRA), World Vision and SUNGI Development Foundation in Pakistan. Results shows intrinsic rewards have negative

relationship with employee motivation. Intrinsic rewards such as empowerment is not acceptable due to lack of trust between employee and his/her boss. Employees thinks that the task is overburden to him/her. However extrinsic rewards have positive relationship. This study also reveal that the organizations are not offering the right amount of financial rewards to their employees in this sector.

Another research done by Malkeet Singh, Mahmoud Khalid & Abdullah Abbas (2013) 70 respondents were involved are from various departments at Tenaga Nasional Berhad Ipoh, Malaysia. Results show that there is a significant relationship between incentives and management leadership style with employees' motivation (extrinsic).

A study was done in Ningbo by Fang Yang (2011) related to work, motivation and personal characteristics. Ningbo is a moderately developed city in China which no invasion of Western culture can be felt here. Six organizations were involved with 207 respondents. The questionnaire consists of three categories which are personal characteristics, motivation factor and work motivation. Results shows that good pay is the higher motivation factors. However, it depends on the employees' personal characteristics. Educated employees usually hold a high position in organization. They are provided with good pay and good working environment. Due to that promotion is their main focus. However, employees with high school education or below are more motivated with pay due to they are having lower salary compared to university level employees. Different personal characteristics have different preferences towards motivation.

Research was conducted by Nur Shafina et al. (2015) related to individual needs, personal preference and work environment towards job performance. A total of 169 respondents were involved from non-academic staff in Universiti Teknologi MARA Terengganu, Malaysia. It shows these three factors does have contribution on job performance.

Another research done by Mohammed, Zahurul & Sharmeen (2014) in public university of Bangladesh. 49 employees were involved to rank 13 potential motivation factors in their jobs. The three most potential factors are, good salary, next is appreciation and followed by relationship with co-workers. In Bangladesh, public university are poorly paid. Two thirds of the people of Bangladesh live on less than $2 a day (UNICEF, 2008). Therefore, money is a priority. The least three factors are responsibility, achievement and policy.

A research done by Rafikul & Ahmad Zaki in year 2008. Five hundred and five respondents were involved from various types of organization such as academic, airlines and banking. The six most effective motivating factors are high wages, good working conditions, promotion, job security, interesting work and full appreciation of work done. It shows money has been a strong motivating factors. Monetary incentives play an important role in motivating Malaysian employees irrespective of gender, race, and age group.

The author concluded that external motivation plays an important role in motivating employees based on the above findings. The external motivation factors are such as financial rewards, good pay, individual needs, personal preference and work environment towards job performance. Intrinsic motivation is not listed as top priorities since most of the respondent believe the intrinsic motivation will become stronger motivators once extrinsic motivation exceeds at a certain level.

6.   Recommendations

Based on the above findings, the author suggested that the management should identify the appropriate external motivation for their employees to increase the internal motivation. Internal motivation is important to ensure employees enjoyed and excited in performing their task. External motivation must be based on individual needs and values. Different employees have different factors to motivate them. Motivation program somehow or rather will also beneficial in motivating employees. Employee's involvement in designing a successful motivation program is vital to encourage their participation. Any management development program should be incorporating the factors that affect the working lives of the workers. Furthermore, Kovach (1980) stated that individuals at different organization levels, with different earning power, may have different motivational values. Hence, what motivates individuals at one level of the organization may not motivate those at another level.

7.   Conclusion

Motivated employees with high levels of job involvement are important elements to every organization. High level of motivation will lead to high level of productivity because subordinates enjoy in performing their work and feel satisfied in the workplace. Even though external motivation remain focus among most of the respondents, we cannot deny the importance of internal motivation. Motivation must be based on individual needs and values to ensure that it is effective. However, the strategy of motivating employees also depends on many factors relating to both individual and organizations and it is still remaining as the biggest challenges faced by the managers and organization.

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