



MOTIVATING FACTORS (INTRINSIC AND EXTRINSIC) AND THEIR IMPORTANCE FOR THE EMPLOYEES

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ABSTRACT

Many researchers consider motivation a complex process, because it crosses many disciplinary boundaries, including economics, psychology, organizational development, human resource management, and sociology. Motivational factors (intrinsic & extrinsic) are often considered a useful tool for employee engagement. This paper is a review of the literature related to the importance of the employee motivational factors. The importance of these factors has changed in different periods of time and employment sectors. The studies concerning this paper have been focused on 10 motivational factors according to Kovach.

KEYWORDS :Motivation, motivating factors, employee

1.Motivation

"Motivation is both one of the simplest and most complex of management jobs. It is simple

because people are basically motivated or driven to behave in a way that they feel leads to

rewards. So motivating someone would be easy. Just find out what he or she wants and hold it

out as a possible reward" Dessler (1980)

"Managers use motivation in the workplace to inspire people to work, both individually and in groups, to produce the best results for business in the most efficient and effective manner" Bessell et al. (2002)

Managers and supervisors acknowledge the importance of motivation in organizations for creating a successful enterprise. Employees that are motivated to work long and hard are normally more productive than employees that are not motivated Daniels and Radebaugh(2001). They continue by stating that higher productivity, caused by increased work motivation, normally reduces production costs.

Employee motivation shall be defined by Robbins, (1993) (as cited in Ramlall,2004) as: "the willingness to exert high levels of effort toward organizational goals, conditioned by the effort's ability to satisfy some individual need."

In order to retain great talent, organizations should focus on what motivates their employees to do well and what rewards those employees find most important. By understanding this, managers and HRD professionals can create more effectual environments that will motivate employees, making them happier and increasing their productivity.

2.Intrinsic and Extrinsic motivation

Total motivation consists of two separate constructs, namely intrinsic motivation and extrinsic motivation.

Intrinsic motivation is the motivation to do something for its own sake, for the pure enjoyment of the activity itself (Hennessey and Amabile 2005). It is the desire to work on something or do something since it is involving, challenging, exciting, interesting, or satisfying (Robbins, 2003). Extrinsic motivation contrast with intrinsic motivation is definite as "doing an activity simply for the enjoyment of activity itself, rather than its instrumental value (Ryan, 2000)

Employee motivation depends on many intrinsic and extrinsic factors like, interesting work, job appreciation, satisfaction, stress, job security, promotion and growth, rewards, work environment, punishment and recognition etc (Palaniammal, 2013)

The main purpose of these motivating factors is to create an environment where people are willing to work with zeal, initiative, interest and enthusiasm, with a high personal and group satisfaction, with the sense of responsibility, loyalty and confidence to achieve their personal as well as organizational goals (Palaniammal, 2013)

Intrinsic motivation arises from the intrinsic value of the work for the individual (for example, its interest value), whereas, extrinsic motivation arises from the desire to obtain some outcomes (for example, as rewards) that are apart from the work itself (Amabile, 1993). There are different opinion regarding intrinsic and extrinsic motivation, it is sure that, both of them play crucial role in motivating employees. As Wiley (1997) mentions, companies would presumably gain a competitive advantage through employing motivational factors in their human resource enrichment and in case they have "motivated and productive employees" The result of meta-analysis done by Wiley (1997) reveals the top five factors that motivate employees in their jobs are as follows:(1) Good wages; (2) full appreciation for work done; (3) job

security ; (4) promotion and growth in the organization; and (5) interesting work.

3.The results of studies on classifying the intrinsic and extrinsic motivational factors
A survey result conducted by Kovach in 1946 indicates ten motivational factors that employees were asked to rank in term of personal preference. Ranking of motivational factors in the study of Kovach (1946) is:

- 1.Full appreciation of work done;
- 2.Feeling of being in on things;
- 3.Sympathetic help with personal problems;
- 4.Job security;
- 5.Good wages;
- 6.Interesting work;
- 7.Promotion and growth in the organization;
- 8.Personal Loyalty to employees;
- 9.Good working conditions;
- 10.Tactful discipline

In 1946 “full appreciation of work done” was the top motivation factors. Good wages

ranked at number 5 and interesting work ranked at number 6.

A same survey was given to employees in 1980, 1986 and 1992 was conducted by Wiley. By 1980 and 1986 “interesting work” was the top motivation factor, “full appreciation of work done” ranked at number 2 and “job security”, “good wages” ranked at number 4 and 5.

In 1992, the result showed that “good wages” was the top motivation factor followed by “full appreciation of work done” and “job security”.

Another survey was conducted by Arnold Keller to Info systems programmer personnel. He found that “interesting work”, “good wages”, and promotion and growth in the organization” was the top motivating factor (LeDuc, 1980).

Kovach (1995) reported that the main changes that have occurred over time since the original survey in 1946 were that needs of workers shifted more towards ego or self fulfillment needs. In contrast to 1946, the workers surveyed had just experienced a war and economic depression a decade earlier. In 1995, the United States had experienced over three decades of secure economic conditions; therefore, the needs of these workers have changed with time more towards intrinsic needs (Kovach, 1995). Several studies have been conducted concerning the employee consideration of motivational factors compared to the study conducted from Kovach.

Table 3.1: Comparison of Kovach instrument 2005, 1999, & 1995

2005 Florida	1999 Hong Kong	1995 U.S. & Canada
1. Management Loyalty to Employees	1. Promotion & growth in the organization	1. Good Wages
2. Good Working Conditions	2. Personal loyalty to employees	2. Job Security
3. Job Security	3. Good Wages	3. Promotion & growth in the organization
4. Good Wages	4. Job Security	4. Good working conditions
5. Gratitude for a Job Well Done	5. Good working conditions	5. Interesting Work
6. A Feeling of Being Involved	6. Full Appreciation of Work Done	6. Full Appreciation of Work Done
7. Promotion or Career Development	7. Interesting Work	7. Personal loyalty to employees
8. Interesting Work	8. Feeling of being "in on things"	8. Feeling of being "in on things"
9. Tactful Discipline	9. Tactful Discipline	9. Tactful Discipline
10. Monetary Incentives for a Job	10. Sympathetic help with personal problems	10. Sympathetic help with personal problems
11. Supervisor's Help with Personal Problems		
12. Public Celebration for a Job Well Done		

The first column is the Florida restaurant employees study by Catherine R. Johnson(1997), the second column is the Hong Kong hotel worker study by Wong, Siu, & Tsang (1999), and the last

column is the U.S and Canada hotel worker study conducted by Simons & Enz (1995).

The most important factor to participants in the study conducted by Catherine R. Johnson in Florida was ‘management loyalty to employees’; however, in the other studies displayed, ‘good wages’ and ‘job security’ are concerns of listed in the top four variables.

In the United States and Canada, Simons & Enz (1995) studied the motivation factors

of hotel workers. These respondents reported that good wages, job security, and opportunities for advancement and development were the most important to U.S. and Canadian hospitality workers (Simons & Enz, 1995).

There are many differences between industrial workers and hospital-ity workers (Simons & Enz, 1995) connected with rankings that they make motivating factors.

Table 3.2: Hospitality vs. Industrial Job Related Factors Survey

1995 Hospitality	1995 Industrial
1. Good Wages	1. Interesting Work
2. Job Security	2. Full Appreciation of Work Done
3. Promotion & growth in the organization	3. Feeling of being "in on things"
4. Good working conditions	4. Job Security
5. Interesting Work	5. Good Wages
6. Full Appreciation of Work Done	6. Promotion & growth in the organization
7. Personal loyalty to employees	7. Good working conditions
8. Feeling of being "in on things"	8. Personal loyalty to employees
9. Tactful Discipline	9. Tactful Discipline
10. Sympathetic help with personal problems	10. Sympathetic help with personal problems

(Simons & Enz, 1995; Kovach, 1995)

Another research was designed by Pia DiPaola Clark in 2010, at St. John Fisher College

to investigate if any changes have occurred since Kovach’s last work and also to see if the economy, gender, and generation affiliation have impacted answers. She found that “Interesting Work”, “Good Wages” and “ Good working conditions” were the top motivating factors. Her study found differences in employee responses in 2010 compared with 1995.

Table 3.3: Differences in Employee Responses in 1995 and 2010

Reward Factor	Employee Responses 1995	Employee Responses 2010
Full appreciation of work done	2	4
Feelings of being in on things	3	7
Sympathetic help with personal problems	10	10
Job Security	4	6
Good Wages	5	2
Interesting Work	1	1
Promotion and Growth in the Organization	6	5
Personal loyalty to employees	8	8
Good working conditions	7	3
Tactful discipline	9	9

(Kovach, 1995; Pia DiPaola Clark, 2010)

Conclusions

Several studies have been conducted concerning the employee consideration of motivational factors compared to the study conducted from Kovach. The importance of these factors has changed in different periods of time and employment sectors. Managers and supervisors need to understand what intrinsic and extrinsic factors motivate their employees. No one reward factor will remain the ‘most important’ if the world around is constantly changing.

The state of the current economy and the stress that it has placed on employees has forced individuals to focus more on the extrinsic factors than intrinsic reward factors.

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