



HERZBERG'S TWO FACTORS THEORY ON WORK MOTIVATION: DOES ITS WORK FOR TODAY'S ENVIRONMENT?

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Abstract

This paper reviews the conventional setting of Herzberg Two-Factors Theory and compares it with current research findings that implemented the theory. This paper discusses findings from various countries and industries that have found contrarily with the theory, where Extrinsic Factors that should only turn up with job dissatisfactions or neutralize feelings towards jobs have indeed effected respondents' job satisfactions. The conclusion has presented a motion to combine the two groups of Intrinsic and Extrinsic Factors as one set of determinants. The remodelling of Two-Factors Theory should be used to determine employees' job satisfaction factors in order to maximize their job performance.

Key Words – Intrinsic Factors, Extrinsic Factors, Employee Motivation.

Introduction

Motivation is one of the most important factors in affecting human behaviour and performance. The level of motivation an individual or team exerts in their work task can affect all aspects of organizational performance. As mentioned by Project Management Institute (2008), the overall success of the organizational project depends on the project team's commitment which is directly related to their level of motivation. As employees are the main resources for organizations' business activities, the issues of employees' motivation will critically decide organizations' success. However, in understanding that human needs and preferences will not be the same among each other's, one set of motivation package designed for an individual or groups may not turn up a same effect on others. With statement supported by Burke (2007), what makes individual do something is not necessary the same for another individual. Moreover, Saraswathi (2011) also commented individuals are showing a discrepancy on their basic motivation drive. As a result, refer to Bourgault *et al.* (2008), organizations should obtain a clear understanding in employees' dissimilarities in needs and preferences for motivation factors to boost up their performance towards overall organization goal.

In early ages of industrialization, unskilled agrarians' workers are the major contributors in productivity. Direct extrinsic incentives like higher pay or corporal punishments are the main thrust to increase employees' productivity or discourage poor performance (Wren, 1994). In a study conducted by Elton Mayo in year 1924 and 1932 that is later well known as Hawthorne Study, employees' requirements for higher performance have been discovered with more than just incentives. The studies illuminated the extent to which workers were affected by external factors of work and how they organised themselves into informal groups. In conclusion, Hawthorne Study has demonstrated the importance of workers' perceptions and complexity of behavioural variables, thus further imposed public the importance on human relation approach and understanding of factors towards workplace motivation (Nickson, 1973, as cited in Saraswathi, 2011).

What is motivation?

The term motivation has been discussed and conceptualized by various researchers. Early years of definition provided by Whiseand and Rush (1988) explained motivation as the willingness of an individual to do something and conditioned by actions to satisfy needs. Later, Wregner and Miller (2003) described motivation as something that energized individuals to take action and which is concerned with the choices the individual makes as part of his or her goal-oriented behaviour. Following the recent definition contributed by Fuller *et al.* (2008), motivation is a person's intensity, direction and persistence of efforts to attain a specific objective. From the statement provided, intensity as further elaborated is how hard an individual tries to attain the specific objective while direction is the channel to intensity towards the correct objective; whereas persistence refers to how long someone maintains an effort to attain the specific objective. On the other hand, Motivation is defined by Saraswathi (2011) as the willingness to exert high levels of effort, toward organizational goals, conditioned by the effort's ability to satisfy some individual need. Three key elements in the definition are further provided as effort, organization goal, and need.

Definitions of motivation contributed by various researchers apparently have some similar meanings as drive, energize and action. Researchers are agreeing on individuals' motivations start with recognition of a desire that is not present at the time the individual noticed, followed by mental desire to achieve something, thus following by physical actions to obtain the desire. Variety of workplace motivation theories are classified as either process theory or context theory (Campbell *et al.*, 1970; Lynne, 2012). Based on Content theory that emphasize on factors and needs that encourage and inspire employees' behaviour as well as performance, employees will gain their job satisfaction when their work tasks give them sense of self-improvement. Motivation theories classified under Content theory undertake that

all employees in the organization have the same set of needs, therefore allowing organizations to predict the characteristics that should be present in the job (Lynne, 2012). Oppositely, process theories emphasized on employees' behaviours that driven by their individual needs. Employees will gain their job satisfaction when their expectations and values are met in their job. This theory included the process by which variables such as employees' expectations, needs and values, and comparisons interact with their job tasks to determine satisfaction. Variety of workplace motivation theories that classified under process theory shares a same notion where employees' diverse needs and the cognitive process behind these diversities are given attentions (Lynne, 2012). In these theories, attentions are given on sources and causes of employees' behaviours, as well as the motives that affect the intensity and direction of those behaviours.

Herzberg's two-factor theory: how does it work?

Frederick Herzberg's well known Two-Factor Theory was designed in year 1959. Based on two hundred engineers and accountant feedback collected in the USA regarding their personal feelings towards their working environments, Herzberg defined two sets of factors in deciding employees working attitudes and level of performance, named Motivation & Hygiene Factors (Robbins, 2009). Motivation Factors are Intrinsic Factors that will increase employees' job satisfaction; while Hygiene Factors are Extrinsic Factors to prevent any employees' dissatisfaction. Herzberg furthered that full supply of Hygiene Factors will not necessary result in employees' job satisfaction. In order to increase employees' performance or productivity, Motivation factors must be addressed.

Two-Factor Theory is closely related to Maslow's hierarchy of needs but it introduced more factors to measure how individuals are motivated in the workplace. This theory argued that meeting the lower-level needs (extrinsic or hygiene factors) of individuals would not motivate them to exert effort, but would only prevent them from being dissatisfied. In order to motivate employees, higher-level needs (intrinsic or motivation factors) must be supplied. The implication for organizations to use this theory is that meeting employees' extrinsic or hygiene factors will only prevent employees from becoming actively dissatisfied but will not motivate them to contribute additional effort toward better performance. To motivate employees, organizations should focus on supplying intrinsic or motivation factors (Robbins, 2009).

According to the setting of theory, Extrinsic Factors are less to contribute to employees' motivation need. The presences of these factors were just to prevent any dissatisfaction to arise in their workplaces. Extrinsic Factors are also well known as job context factors; are extrinsic satisfactions granted by other people for employees (Robbins, 2009). These factors serve as guidance for employers in creating a favourable working environment where employees feel comfortable working inside. When all these external factors were achieved, employees will be free from unpleasant external working conditions that will banish their feelings of dissatisfactions, but remains themselves neutral in neither satisfied nor motivated; however, when employers fail to supply employees' Extrinsic Factors needs, employees' job dissatisfaction will arise.

Intrinsic Factors are the actually factors that contribute to employees' level of job satisfactions. It has widely being known as job content factors which aim to provide employees meaningful works that able to intrinsically satisfy themselves by their works outcomes, responsibilities delegated experience learned, and achievements harvested (Robbins, 2009). Intrinsic Factors are very effective in creating and maintaining more durable positive effects on employees' performance towards their jobs as these factors are human basic needs for psychological growth. Intrinsic Factors will propel employees to insert additional interest into their job. When employees are well satisfied by motivational needs, their productivity and efficiency will improved.

This theory further proposed the Intrinsic and Extrinsic Factors are interdependence to each other. Presence of Extrinsic Factors will only eliminate employees' work dissatisfaction; however, it will not provide job satisfaction. On the other hand, sufficient supply in Intrinsic Factor will cultivate employees' inner growth and development that will lead to a higher productivity and performance; however, absent of this factor will only neutralize their feeling neither satisfy nor dissatisfy on their jobs. Extrinsic Factors only permit employees willingness to work while Intrinsic Factors will decide their quality of work. These two groups of Extrinsic and Intrinsic Factors are not necessary opposite with each other, as opposite of satisfaction are not dissatisfaction, but rather no satisfaction. Similarly, opposite of dissatisfaction are not satisfaction, but no dissatisfaction (Robbins, 2009). For instance, a study by Wan Fauziah and Tan (2013) among 124 employees from electronic companies in Malaysia revealed the employees have some differences in their intrinsic and extrinsic motivation factors. Hence, organizations should modulate their operations and procedures to satisfy both intrinsic and extrinsic motivation factors of their employees.

Criticism on extrinsic factors towards job satisfactions

The groundwork of Two-Factors Theory is built on the factors for employees' job satisfactions. According to Spector (1997), Job satisfaction is defined as "the extent to which people like (satisfaction) or dislike (dissatisfaction) their jobs". It has been recognized to have its positive impact on organizational performance and employees' commitments (Levy, 2003); on the contrary, contrariwise with absenteeism and turnover intentions (Yousef, 2000). Following the definitions provided, it may assumes that if individuals place high preferences on Extrinsic Factors such as Working Environment or Supervision, then the Extrinsic Factors will have positive effects towards their job satisfactions, rather than only prevent their dissatisfactions and keep them in a neutral feelings.

In order to support such assumption, several research finding have been introduced. A finding that found contradicted with Herzberg's finding is carried out by Schroer (2008). The researcher used the Two-Factor Theory to study the impact of demographical factors on job satisfaction. Findings arrived from the study has concluded that overall job satisfaction was related to age and educational level, and that levels of Intrinsic and Extrinsic Motivation factors were vary among occupational groups of people. Besides, another case study that covered two Universities in Kuala Lumpur, Malaysia to understand their job satisfaction factors was also found in support to the idea of criticism. Ten major factors corresponding to job satisfaction using Herzberg Two Factor theory were utilized to determine how these selected factors

are related to job satisfaction of Malaysia faculty members (Edward & Teoh, 2009). Interestingly, present of Extrinsic Motivation Factors have positively contributed to respondents' job satisfactions; while absent of Intrinsic Motivation Factors don't really neutralized their feeling, but have de-motivated them. In China, a study conducted by Fang Yang (2011) has found that all Extrinsic Motivation Factors can motivate employees in China to work hard. The finding has shown a reverse effect where Extrinsic Motivation Factors have overridden Intrinsic Motivation Factors to be the first and second highest motivation factor for workers in China. Lastly, a recent empirical research from Wan Fauziah and Tan (2013) has found that the factor of generations plays an important role in determining employees' favourability in Intrinsic and Extrinsic Motivation factors. Interestingly, younger generation of workers were motivated by Extrinsic Motivation factors and demotivated by Intrinsic Motivation factors to perform Citizenship Performance in their workplace. Older generation of worker were found vice versa, where their Citizenship Performance was motivated by Intrinsic Motivation factors and demotivated by Extrinsic Motivation factors.

In a study presented by Stringer *et. al.* (2011) examines the implications of a **pay-for-performance** system on Intrinsic and Extrinsic motivation factors and job satisfaction of front-line employees at a retailer in Australasia. They concluded pay and benefits have strongest association with job satisfactions. In Malaysian context, a research carried out by Ibrahim and Boerhaneoddin (2010) also suggested factor of compensations has a significant effect on job satisfactions. Another research from Islam and Hj. Ismail (2008) which widely survey on more than 500 workers scattered over 96 various Malaysian organizations have concluded their results where factor of pay was found effective in motivating their respondents. Moreover, Asri *et. al.* (2007) has studied employees' organisational commitment in SMEs as well as the relationship between commitment and job satisfaction in the manufacturing sector. Based on a case study of 236 employees in Small and Medium Enterprises in Kuala Terengganu, they found employees' organizational commitments have a significant correlation with their perception of pay.

In a research of Ponnu and Chuah in 2010 involved 172 respondents from various job levels and industrial backgrounds, they presented the strong significant relationship between organizational justice and organizational commitments. Their respondents have shown a shared behavior where their perceptions towards **organizational procedural and distributive justice** will positively affect their organizational commitments. Moreover, the results also revealed that procedural justice are more important than distributive justice in influencing employees' organizational commitments. Another research contributed by Edward and Teoh (2009) that focuses on faculty members from two Malaysia universities has also found a significant positive relationship between company policy and administration and job satisfactions.

The subject of the relations between coworkers' relationship and job satisfaction, a research carried out in sixty international hotels by Lin and Lin (2011) has concluded a positive relationship between **co-worker** and job satisfactions. Besides, according to Ducharme and Martin (2000) that conducted a large-scale investigation on the problems relating to job satisfaction issues targeted on the employees of international service providers, their studies found that the factors of work group interactions and co-workers' support have significant positive correlation to job satisfaction. Another local research result arrived from Asri *et. al.* (2007) also supported a significant positive correlation between job satisfaction and co-worker relationship. From their research on employees in Small and Medium Enterprises in Kuala Terengganu, their respondents have been proven by Hierarchical Regression analysis that their organizational commitments were significantly influenced by factor of co-worker.

To define the relationship between **supervisory** factors and job satisfactions, Edwards and Rothbard (1999) provided their statements in supporting strong social relations found within the work environment will enhance employees' job satisfaction and productivity. Another research finding contributed by Lin and Lin (2011) on supervisory factors has revealed a positive relationship between leader-member interactions and job satisfactions. The respondents from the research have revealed strong satisfactions on their jobs when they experienced positive interactions with their supervisors. In Malaysia context, Asri *et. al.* (2007) have concluded their research results as factor of supervisions have significantly influenced job satisfactions and organizational commitments. The above studies have successfully supported earlier statements that the better the coordinative relationship in terms of trust, confidence, and respect between leaders and followers, the higher rate of employees' job satisfactions arriving from supervisory factors will be achieved (Weng, Lai, Li, 2010). As summary, the hygiene factor of Supervision is concluded with a positive relationship with job satisfactions.

The factor of **job security** towards employees' job satisfactions has been tested by Danish and Usman (2010). With 220 respondents from Pakistan participated in their research, they have confirmed a positive relationship between factor of job security and employees' job satisfactions. Another Malaysian research carried out by Rafikul and Ahmad (2008) also concluded the factor of job security has positive effect in motivating their respondents. All of the findings above has found similar with research results generated by Saraswathi (2011) in India, where Job security also concluded with significant effect on non-IT employees' motivation factors.

A research in Malaysia retail sectors contributed by Tan and Anna (2011) have concluded the factor of **working condition** as the highest significant for job satisfaction. From a total of 152 sales personnel from women's clothing stores in shopping mall of Bandar Sunway, Regression analysis has demonstrated that the respondents valued their working conditions to be the most significant for their job satisfactions. On the other hand, a research contributed by Rafikul and Ahmad (2008) also concluded a positive relationship between good working condition and motivation. Compare to their respondents who hold professionals, bachelor and master degree, PhD and certificate holders have raked the factor of working condition as the most important among other motivation and hygiene factors. Lastly, a study conducted by Jaafar *et. al.* (2006) has justified the importance of hygiene factors among Malaysia employees' job satisfactions. Respondents from the research have answered the factor of working condition has influencing power in their satisfactions towards their organizations.

According to Casper and Harris (2008), the balance between employees working hours and personal time will improve employees' organizational commitments and reduce turnover intentions. From a research of Saraswathi (2011), the factor of Personal Life has found to be the most important in motivating non-IT employees in India. The results although found incompatible with Herzberg's Two-Factors theory where Hygiene factor only play as mediator to prevent dissatisfaction, however, the researcher has explained that this results may be due to difference in the need of employees, work contexts and types of organizations.

Since most of results arrived has shown the existence of Extrinsic factors towards employees' motivation, it is recommended that Herzberg Two-Factor theory should be used as single group of determinant for employees job satisfactions. When applied to work motivation, the theory can be explained as follow. Intrinsic and Extrinsic Motivation factors will go thru employees' preferences for motivation factors in order to turn up their work motivation. Thus, this model can be visualised as follow:

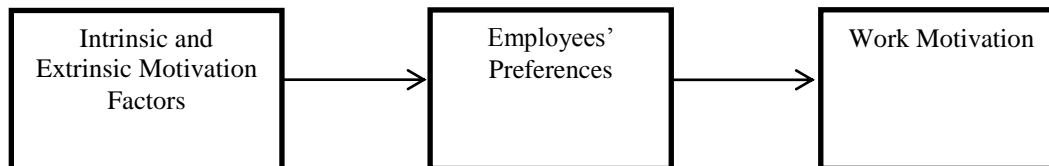


Figure 1: Intrinsic and Extrinsic Motivation Model of Work Performance

Conclusion

Herzberg's Two-Factor Theory has widely used on variety of motivational researches across different industries and generations. The extra point of Herzberg's Two-Factor theory because it provides an integration of individuals' intrinsic and extrinsic motivation factors that is able to ideally cover other motivation theories. Motivation and hygiene factors introduced by Herzberg have found similarities among other motivation theories under content theories as each theory carries various employees' need for motivation in similar terms (Borkowski, 2011). In detail, Responsibilities, Achievements, Growth, Promotion, Recognition and Work Itself categorised under Herzberg's motivation factors have found similar with Maslow's Self Actualization and Self Esteem, and Alderfer's Growth need, as well as McClelland's Need of Achievements. Relationship with Peers. Personal Life, Supervision categorised under Herzberg's hygiene factors consistent with Maslow's Belongingness, Alderfer's Relatedness need, and McClelland's need of Affiliation. Factor of Status under hygiene factors is similar with Need for Power under McClelland's Theory of Need. Lastly. Pay and Benefit, Work Condition, Job Security and Company Policy and Administration are also found consistent with Maslow's Safety and Physiological Need and Alderfer's Existence need. As results, compare to the other Motivational Theories, Two-Factor Theory provides more comprehensive sets of factors that cover basic individual internal and external needs to exert their additional efforts into jobs.

However, the implementation of Two-Factor theory has been found less practical in for today's employees' motivation study. As discussed earlier, most of the research findings across variety of countries and industries have concluded that Extrinsic Factors have impacted their respondents' job satisfactions. The opposition of findings against theory where Extrinsic Factors should either turn up with job dissatisfactions or neutral feeling towards jobs have clearly call up an urge to revise and update the setting of theory. As results, it is recommended that elements categorised under Extrinsic Factors should be accepted to have direct impact on employees' job satisfactions. The conventional setting of Two-Factors Theory may not only localised for the used for determining respondents' satisfactions dissatisfactions issues; however, it can be further broaden the scope of usage by combining the two groups of Intrinsic and Extrinsic Factors as a group of determinant and thus study its effects towards target respondents.

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