
THE IMPACT OF INTRINSIC AND EXTRINSIC MOTIVATION ON EMPLOYEE'S JOB SATISFACTION AMONG STB BANK EMPLOYEES

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Abstract: Productivity is defined as the efficient and effective use of resources with minimum waste and effort to achieve outcome. We live in a world that has limited resources. With these challenges the concept of productivity, **job satisfaction** and **motivation** become very important.

The idea of motivation applies to internal elements that coerce action and external elements that can function as stimuli to perform better in the workplace. Motivating factors like pay and benefits, recognition, rewards, supervision, mutual respect among coworkers, and achievement need to be met in order for an employee to be satisfied with work.

When the intrinsic and extrinsic motivators are achieved, than the employee is thought to be satisfied. Therefore from an organizations' point of view, it is thought that by improving the motivating conditions of the job dimensions, like working conditions, supervision- human resources, company policies, job security etc., this will subsequently lead to a better work environment and increased job satisfaction.

Job satisfaction is an individual's emotional response to his or her current job condition, while motivation is the driving force to pursue and satisfy one's needs. Maslow and Herzberg's theories can be easily applied to the workplace. Managers can help employees achieve overall job satisfaction, which, with the employee's internal motivation drive, increase performance on the job.

In this research paper is completed a literature review where we have given an outline of the empirical activities by high-ranked psychology researchers around the world, who have contributed in better understanding and broadening our knowledge for the topic discussed in this paper.

The purpose of this research paper, just like any kind of scientific writing, is to get the researchers, psychology students, readers, etc., up to date about the impact of (internal & external) motivation in the employees job satisfaction in general. Especially this paper will be in much use for those who tend to research, understand, evaluate and promote job satisfaction in a working environment.

The data needed for the study has been collected from the employees through standardized measurements, analyzed and interpreted by using the statistical tools and data's are presented through tables and charts.

Keywords: Internal motivation, extrinsic motivation, Job Satisfaction, Job motivation, Psychometrics properties, Employees, industrial psychology.

1. INTRODUCTION

Job satisfaction refers to the overall feelings one has and the evaluation one makes about one's job. People with high job satisfaction experience a pleasurable or positive emotional state when they think about their job or job experiences. In simple terms, they like their jobs.

Hoppock defined job satisfaction as any combination of psychological, physiological and environmental circumstances that cause a person truthfully to say I am satisfied with my job (Hoppock, 1935). According to this approach although job satisfaction is under the influence of many external factors, it remains something internal that has to do with the way how the employee feels. That is job satisfaction presents a set of factors that cause a feeling of satisfaction.⁹⁶

Since early studies in the 1930s, job satisfaction has become one of the most widely investigated concepts in the field of industrial/organizational psychology. It is a valuable outcome in its own right but also a driver of other important individual and organizational outcomes. The importance of this concept is reflected in its central role in numerous theories, such as those concerning job design, leadership, and employee withdrawal.

According to one definition (Steers & Porter, 1991), motivation is a force that serves three functions: It energizes, or causes people to act; it directs behavior toward the attainment of specific goals; and it sustains the effort expended in reaching those goals. Because motivation cannot be observed directly, it is very difficult to study. We can only infer motives either by observing goal-directed behavior or by using some psychological measurement technique.

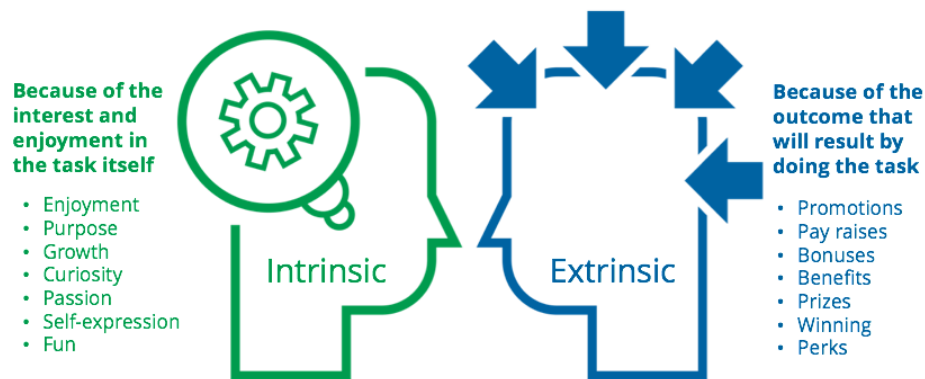
According to Frederick Taylor, workers are motivated by money and material gains, whereas Elton Mayo stressed the role that interpersonal needs play in motivating workers. Since these early days, more sophisticated theories of motivation have been developed. Some stress the importance of specific needs in determining motivation. Other

⁹⁶ Hoppock, R. (1935). Job satisfaction. Oxford, England: Harper.

theories emphasize the connection between work behaviors and outcomes—the influence of attaining rewards and achieving goals. Other theories focus on the role of job design in affecting motivation. Still another category of theories argues that motivation is a cognitive process and that workers rationally weigh the advantages and disadvantages of expending work energy.

One limitation to reinforcement theory is that it emphasizes external, or extrinsic, rewards. That is, persons are motivated to perform a behavior because they receive some extrinsic reward from the environment. Yet, theorists such as Deci and Ryan (1985) emphasize that people are often motivated by internal or intrinsic motivation. Intrinsic rewards are derived from the workers' sense of accomplishment and competence at performing and mastering work tasks and from a sense of autonomy or control over one's own work.

INTRINSIC VS. EXTRINSIC MOTIVATION: WHY WE DO WHAT WE DO



2. METHODOLOGY

Purpose of Research

Job motivation and job satisfaction performance both play vital role in the success of every organization. In this era, both job motivation and job satisfaction are the major critical factors to be considered in the managerial decision making process in order to lead organizations towards its goals. Most of the researches have been conducted and proven that both job motivation and job satisfaction are closely related with each other and have greater positive and negative impact on the organizational overall productivity and performance.

It is always of high priority of every organization to increase the productivity and efficiency with the help through motivation. Motivated workers are the only source through which high level of Satisfaction can be achieved by an organization. (Satisfied workers always try to bring increment in their job performance).

Therefore for this study we have set these purposes, as follow:

To examine relationship between job motivation (Intrinsic and Extrinsic) and employee's job satisfaction.

To determine whether there is a positive linear relationship between employee's job motivation and job satisfaction.

To examine separately the impact of intrinsic and extrinsic motivation on the overall employees satisfaction.

To examine independently the job satisfaction categories and their impact on employees motivation levels.

To examine the factors that impact high levels of motivation.

To examine the factors related to job satisfaction.

To review the relation between demographic factors and their impact on job motivation and satisfaction.

Objectives - This study is identified to achieve the following objectives.

1. To examine job motivation of the employees of STB bank – Tetovo.

2. To examine job satisfaction of the employees of STB bank – Tetovo.

3. To identify factors that influence job motivation and satisfaction among employees.

4. To suggest some changes in order to improve employees' job motivation levels and job satisfaction in the company.

Hypotheses - The hypothesis set for this research study are:

H1: Employees' that are overall more motivated are also more satisfied with their work and workplace.

H2: There are significant differences between the employees who's job satisfaction is caused by intrinsic and extrinsic motivation.

H3: *Employees who have promotion opportunities experience higher job satisfaction.*

H4: *Employees with higher salaries are more motivated and satisfied than those who earn less.*

H5: *Younger employees' are more motivated and satisfied than those above age 45.*

H6. *There is significant difference between the means of job motivation among employees that own a higher degree of education in comparison to those who own lower degrees of education."*

H7: *Employees that have been working in the company in a shorter period are intrinsically more motivated in comparison to the others who have been working for a longer period.*

Sampling size -Bull (2005) defined population in such words that population refers to all those elements, members and cases which are required to be considered by the researcher in the study.

For this study, the population is all those employees working in the STB bank in Tetovo city in North Macedonia. A total of 15 subjects are the ultimate SAMPLE for this study.

Instrumentalization - The questionnaires were administrated to employees of STB bank on Wednesday morning on 29th May,2019 in Tetovo., NM.

There are two types of questionnaires delivered to each employee.

The first questionnaire is "**The job motivation Test**" which consists 20 items, 5 point - Likert Scale, in which respondents indicate the extent to which they agree or disagree with statements such as " Strongly Disagree, Disagree, Neither Disagree, Agree, Strongly Agree.

The second questionnaire, is known as **Job Descriptive Index**, is a facet measure of satisfaction, meaning that the measure assesses people's satisfaction with *five differentiable aspects* of the job: the work itself, pay, opportunity for promotion, supervision, and coworkers and it is combined with the so-called (the third) **Job in General (JIG)**, a scale that was developed by the group to assess people's overall (global) feelings of work satisfaction. In total they have 70 statements to which the respondent should respond by writing on the blank spaces Y, N or ?. Where Y stands for YES, N for No and ? for 'cannot decide'.

Data Analysis - For the present study, we used SPSS v 23. Software package to analyze the collected data statistically.

3. CONCLUSION

The conclusions and the interpretations that we have listed below in the head of this research paper are completely reached through the implementation of our survey, therefore we notice that these data are important for the time frame when it has been conducted. Of course in this part of the research paper we have restated our thesis and have summarized the main points of the evidences, which should be facilitation for the reader of this paper, who is not obliged to go through all the statistical analyzes of the data in the previous chapter.

One of the most important findings that we have achieved trough this research paper is the evidence that the employees who experience high levels of motivation will also experience an increased feeling of job satisfaction, which also represented the first and the main hypothesis f our research.

We have also been able to prove this linear correlation which refers to straight-line relationships between two variables. Our variables were job motivation (undependable variable) and job satisfaction (dependable variable), which value indicated a moderate positive linear relationship. ($p > 0.5$) From that point we were able to tell that approximately more than 55% of employees job motivation can be attributed to the linear relationship between job motivation and the job satisfaction, suggesting that other factors, perhaps age, payment, or employment period, are also involved.

With the implementation of this research paper we have been able to conclude that even though we have assumed that intrinsic and extrinsic motivation impact in different degrees on overall job satisfaction of employees, it apparently was not the case for our group of respondents.

We believed that employees that are mainly driven by the values that come from the outcomes that are sourced from within, linked with the feelings of the employees (intrinsic motivation) will achieve different values from the employees who are meanly driven by things or factors which come from other people or from the organizations (extrinsic motivation).

Through the statistical analyzes we couldn't find the significant difference between the means and we concluded the opposite of what our hypothesis stated, that intrinsic and extrinsic motivation both influence the employees job satisfaction in same amount. We come to conclusion that both, intrinsic and extrinsic motivation are related or associated with job satisfaction.

The next conclusion is related to the impact of promotions and promotion opportunities on job satisfaction. On which we have been able to verify our hypothesis that claims that employees that hope on promotion opportunity are those who tend to experience increased job satisfaction.

While several studies have investigated the determinants of job satisfaction, relatively little attention has been paid

to the role of promotions and promotion opportunities.

Our findings indicate that employers may be able to use promotions as another mechanism to raise worker satisfaction. Workers who believe a promotion is possible in the next years tend to experience higher job satisfaction. Further in this point of perception we believe that promotions will only be an effective mechanism for eliciting greater effort if workers place significant value on the promotion itself.

Another important finding from this research is the findings which compared the means of respondents in the aspect of payment and job satisfaction in general.

We had in consideration that pay is considered a significant reward to motivate the workers and their behavior towards the goals of employers. When we hypothesized that employees that earn more are more motivated than those who earn less, we counted on the idea that pay is a striking good to most individuals because it offers them a corresponding level of purchasing power and on the belief that the reason why employees are determined to work is because they focus on the income and the power it gives to the individual in society and in the workplace.

Regarding the results from the statistical analyzes we have conducted in our population, this hypothesis has not been supported since there was no significant difference between the means of the employees job motivation and satisfaction and their payment.

We are left to conclude that the payment is not representative as a crucial factor which is responsible for the increase of job motivation and job satisfaction among employees. Maybe it is up to employees personal causes, in the aspect of personality, where some people feel satisfied with a high salary even when they do not like what they are doing, while others are happy doing what they are passionate about even if their monthly account balance isn't where they would want it to be.

In the next conclusion we have analyzed the factor: age, with the levels of motivation and satisfaction, supposing that the younger the employee the higher the motivation will be, which will impact also on satisfaction too. In this hypothesis we strongly believed that age difference would give us different values and that we would have a confirmed hypothesis. Interestingly, we did not achieve that!

According to our findings there are no significant differences between the means among the age groups and the job motivation and job satisfaction responds of the employees, which means that there is no statistical evidence in our research sample group that supports the hypothesis.

In the following conclusion we have considered taking in regard the education degree of employees and their job motivation, by supposing that the higher the degree of education the more motivated they will be on their job, because more educated people in a workplace receive more respect from the co workers; are usually paid more than those below their graduation level, are more valued from their management board and because higher educated people seem more motivated and satisfied than lower educated people because they get a better job position in the company/organization.

Our hypothesis has been supported by the statistical analyses we have achieved, proving that there is difference among the employees even though not ordered as we would want them to be.

And the last but not the least, we have concluded an important factor which regards to our last hypothesis which states that 'Employees that have been working in the company in a shorter period are intrinsically more motivated in comparison to the others who have been working for a longer period' has resulted with significant differences among the means of the respondents period of employment and their intrinsic motivation.

We believed that the motivational dynamics have changed in the requirements of a workplace and by so has also changed in the workers expectations. Therefore we believe that these changes have increased the importance of intrinsic motivation and have declined the importance of the material rewards. Younger workers that start a new work / job, are more intrinsically motivated by trying their best to achieve the goals and to complete the tasks, to actualize their potentials, to explore with their skills, and it comes naturally to them because it simply gives them joy and satisfaction.

In contradiction with these, those who have worked for longer period start gradually to compare themselves to the coworkers, also may get disappointed of the lack of progress, or not having a chance of promotion, may recognize better that there is a lack of confidence in the companies' leadership etc, and by being discouraged may easily extinguish their intrinsic motivations and transfer their triggers to extrinsic motivation.

After we have statistically analyzed the means, we may say that our findings support the fact that new employees are more intrinsically motivated than those with a longer working experience in the bank.

For the sake of objectivity we claim that our findings are not absolutely true and that there is a chance of error in these interpretations.

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