



Faculty of Cognitive Sciences and Human Development

**THE RELATIONSHIP BETWEEN INTRINSIC AND EXTRINSIC
MOTIVATION FACTORS WITH JOB SATISFACTION**

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Final Year Project Report

Masters

PhD

DECLARATION OF ORIGINAL WORK

This declaration is made on the 2 day of JULY year 2021.

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This project is submitted
in partial fulfilment of the requirements
for a Bachelor of Science with Honours
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The project entitled ‘The Relationship Between Intrinsic and Extrinsic Motivation Factors with Job Satisfaction’ was prepared by Wong Siew Xue and submitted to the Faculty of Cognitive Sciences and Human Development in partial fulfillment of the requirements for a Bachelor of Science with Honours (Human Resource Development)

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ABSTRACT

Objectives: The aim of this study is to identify the relationship between intrinsic (recognition and responsibility) and extrinsic motivation factors (work condition and compensation) with job satisfaction.

Methodology: This research done by using the quantitative method where the data were collected by using questionnaires as the instrument. The data was collected from 44 respondents in Galilee Marine Supply Sdn Bhd Sibul, Sarawak. The data of descriptive and inferential statistics were analyzed by using SPSS. The Pearson Correlation Coefficient was used to test the relationship between the independent variables and dependent variable.

Findings: The findings of the first hypotheses (relationship between recognition factor and job satisfaction), second hypotheses (relationship between responsibility factor and job satisfaction), and the third hypotheses (relationship between work condition factor and job satisfaction) is a significant and moderate positive relationship between independent variables and dependent variable. The fourth hypotheses (relationship between compensation factor and job satisfaction) is a significant and high positive relationship between independent variables and dependent variable.

Discussion and Conclusion: All the alternative hypotheses were accepted and the result was consistent with the findings of past research. These findings also in alignment with the research theory known as Herzberg's Theory.

Keywords: *Recognition, Responsibility, Work Condition, Compensation, Job Satisfaction*

ABSTRAK

Objektif: Tujuan kajian ini adalah untuk mengenal pasti hubungan antara faktor intrinsik (pengiktirafan dan tanggungjawab) dengan faktor motivasi ekstrinsik (keadaan kerja dan pampasan) dengan kepuasan kerja.

Metodologi: Penyelidikan ini dilakukan dengan menggunakan kaedah kuantitatif di mana data dikumpulkan dengan menggunakan borang soal selidik sebagai instrumen. Data dikumpulkan dari 44 responden di Galilee Marine Supply Sdn Bhd Sibu, Sarawak. Data statistik deskriptif dan inferensi dianalisis dengan menggunakan SPSS. Pekali Korelasi Pearson digunakan untuk menguji hubungan antara pemboleh ubah tidak bersandar dan pemboleh ubah bersandar.

Dapatan: Penemuan hipotesis pertama (hubungan antara faktor pengiktirafan dan kepuasan kerja), hipotesis kedua (hubungan antara faktor tanggungjawab dan kepuasan kerja), dan hipotesis ketiga (hubungan antara faktor keadaan kerja dan kepuasan kerja) adalah positif dan sederhana hubungan antara pemboleh ubah bebas dan pemboleh ubah bersandar. Hipotesis keempat (hubungan antara faktor pampasan dan kepuasan kerja) adalah hubungan positif yang signifikan dan tinggi antara pemboleh ubah bebas dan pemboleh ubah bersandar.

Perbincangan dan Kesimpulan: Semua hipotesis alternatif diterima dan hasilnya konsisten dengan penemuan kajian lepas. Penemuan ini juga sejajar dengan teori penyelidikan yang dikenali sebagai Teori Herzberg.

Kata kunci: Pengiktirafan, Tanggungjawab, Keadaan Kerja, Pampasan, Kepuasan Kerja

CHAPTER 1

INTRODUCTION

1.1 Introduction and Background of Study

Today, job satisfaction is very important for employees and organizations. Employees are the main source of the organization. Employees are also called human resources and it plays the most important resource and role in the organization. To ensure that the organization can compete with the other organizations, it is important to retain efficient and experienced employees in the organization. Therefore, the main method of retaining and attracting the talent or employees is to improve their job satisfaction. However, everyone has their own definition of job satisfaction such as they want different benefits from work. Therefore, different authors have different views on the meaning of job satisfaction. According to Locke (1976), he defined job satisfaction as a pleasant emotional state produced by the evaluation of work or work experience. In others word, it describes a person's feelings and thoughts about his or her job. Job satisfaction is a mix of good and negative sentiments experienced at work daily. Therefore, employees with higher job satisfaction will feel positive feelings and attitudes when performing work and responsibilities and vice versa.

In addition, job satisfaction means that they expect the benefits of their work to meet or exceed expectations. Often, employees are satisfied when the employer provides something valuable at work. Values are what people consciously and unconsciously want to seek or realize (Locke, 1976). For example, they may want to get a high salary, promotion, comfortable working environment, status and others. Employees will have a negative temper about work if they believe they are working harder than others yet are paid less. Therefore, when the employee's organizations meet their needs, they will satisfy their job and perform well.

Thus, it is important for organizations to understand how to motivate and satisfy their employees. One of the most prominent factors is motivation (Ivypananda, 2019). The urge to act in order to attain a goal is referred to as motivation. This is an important aspect of goal-setting and achievement. Motivation may originate from a variety of places, and most people have numerous reasons for engaging in any activity (Heshmat, 2019). Motivation can come from internal. That is an inspiration that comes from a person's heart, that is, the desire to make progress in a certain activity. For example, recognition and responsibility. Intrinsic motivation tends to propel individuals ahead more forcefully, resulting in more satisfying results. Extrinsic motivation, such as work conditions and compensation, may also motivate people. In a nutshell, job satisfaction is often seen as a motivating element. As a result, this research is being carried out in order to establish a link. Therefore, this study aims to identify the relationship between intrinsic and extrinsic motivation factors with job satisfaction in the private sector.

1.2 Problem Statement

Job satisfaction is a significant factor in the development of undesirable workplace behaviours, such as frequent absenteeism, lack of discipline, and high turnover rates (Picincu, 2020). Narrowing the focus of the study to job satisfaction might help researchers better grasp the relationship between personal factors and aberrant workplace behaviour (Diala & Nemani, 2011). Conversely, lack of incentives and low morale may undermine people's confidence in administrative management, thereby putting greater pressure on workers.

There are many studies that had attempted to measure employees' satisfaction in various fields. The empirical researcher has done by Oparanma (2011), studied the relationship between the motivation and job satisfaction of Nigerian retail managers.

Besides, Tung, et al. (2020) conducted a countrywide cross-sectional study in Taiwan to investigate the relationship between intrinsic and extrinsic motivational factors with physician burnout and work satisfaction. Another research of the link between motivating variables of job satisfaction and organizational commitment in Consultants Government Girls High School, Isfahan City, was conducted by Jahandoost, Niknejadi, and Iravani (2011). Many studies have been carried out in the West and other Asian nations, however research in Malaysia is lacking. In particular, researchers have observed that there have been no previous studies on the job satisfaction of Sarawak employees (Tan, 2011).

In view of the lack of specific studies regarding the motivation factors that influence employees' job satisfaction in private sectors in Sarawak. In short, the purpose of this study was to determine the link between intrinsic and extrinsic motivation factors with job satisfaction in Sarawak's private sector.

1.3 Objectives of Study

1.3.1 General Objective

To identify the relationship between intrinsic and extrinsic motivation factors with job satisfaction.

1.3.2 Specific Objectives

- i. To identify the relationship between the recognition factor and job satisfaction.
- ii. To identify the relationship between the responsibility factor and job satisfaction.

- iii. To identify the relationship between the work condition factor and job satisfaction.
- iv. To identify the relationship between the compensation factor and job satisfaction.

1.4 Research Hypotheses

H_{a1} There is a significant relationship between the recognition factor and job satisfaction.

H_{a2} There is a significant relationship between the responsibility factor and job satisfaction.

H_{a3} There is a significant relationship between the work condition factor and job satisfaction.

H_{a4} There is a significant relationship between the compensation factor and job satisfaction.

1.5 Conceptual Framework

Figure 1 shows the conceptual framework in this study to demonstrate that the intrinsic and extrinsic motivation factors that are related to the employees' job satisfaction in the private sector. The independent variables have divided into two variables which are intrinsic motivation and extrinsic motivation. The intrinsic variable represents the recognition and responsibility, and the extrinsic variable is represented the work condition and compensation. This framework is adapted and modified from Teshome (2017) on the study titled "The effect of motivation factors on employees job satisfaction: The case of Lion International Bank." From this research, we can conclude that the intrinsic factors and extrinsic factors had significantly related to job satisfaction. In addition, the research

done by Board (2007) also concluded that the job satisfaction depends on the intrinsic and extrinsic motivation factors.

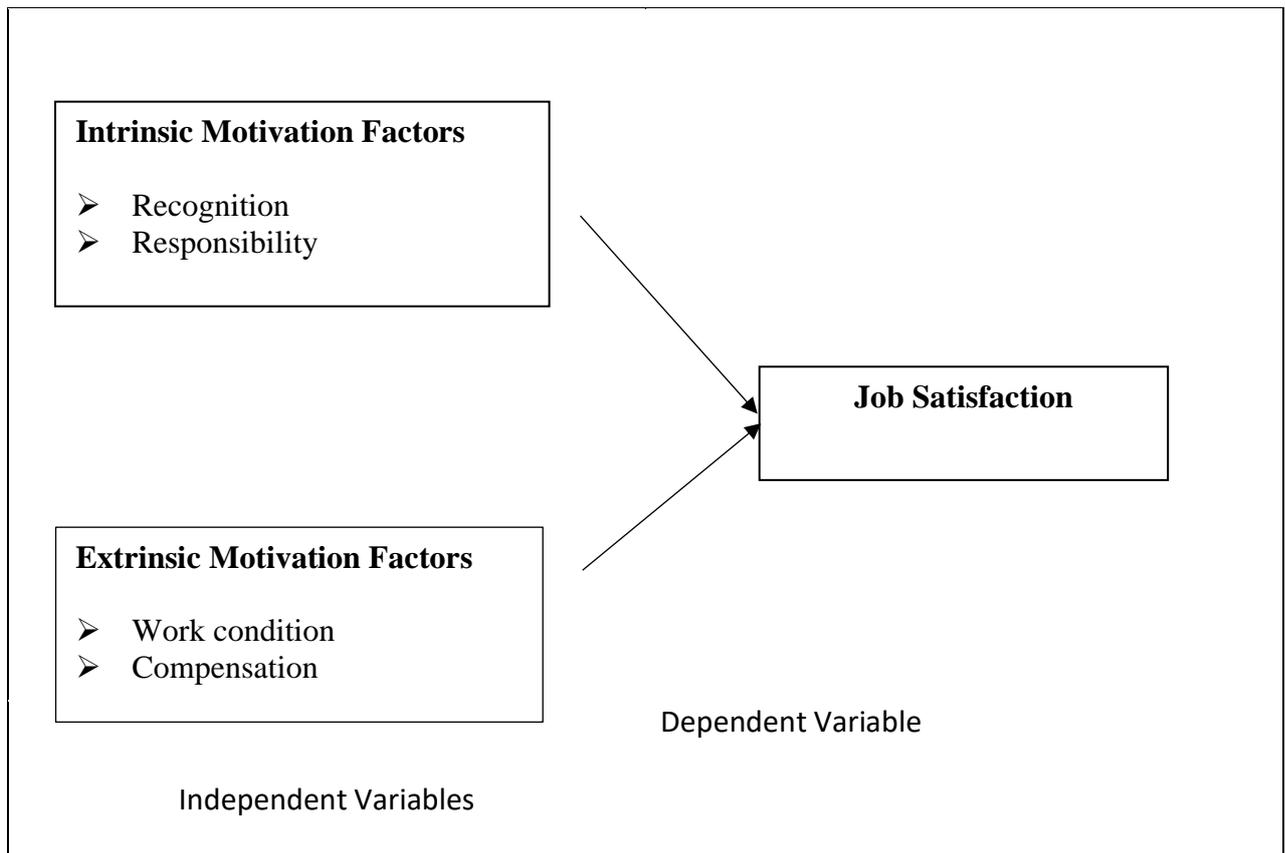


Figure 1.1: Conceptual Framework of the relationship between independent and dependent variables

Source: Teshome. M (2017)

1.6 Significance of the Study

1.6.1 Significance to Organization

This study could be of importance to decision-makers to explore the extrinsic and intrinsic motivation factors that have significant related with job satisfaction in private sectors. Understanding and distinguishing between intrinsic motivation and extrinsic

motivation will be beneficial because each motivation has a role in determining the level of motivation in different work environments.

1.6.2 Significance to Body of Literature

The findings of this study may increase the awareness of motivation factors that affect job satisfaction. This research also will be useful for future studies as a guide to making improvements in the related topic.

1.6.3 Significance to Related Industry

The findings in this research can be a reference to the implementation of effective approaches to increase the employee's job satisfaction. This research also can be a reference in the future as an empirical gap to those who do the study on the relationship between intrinsic and extrinsic motivation factors with job satisfaction.

1.7 Limitations of Study

This research consists few limitations. One of the limitations is the result of the findings only specified in one private sector in Sibul, Sarawak. Apart from that, this study conducted using the quantitative approach only.

Furthermore, data were obtained solely through questionnaires issued to employees, with all information collected being kept secret and utilized solely for research reasons. This is to guarantee that all of the data can be obtained as quickly as possible, avoiding any unnecessary time and expense issues. This study was only supposed to cover a restricted geographic area. Galilee Marine Supply Sdn Bhd Sibul, Sarawak was picked in this situation. Aside from that, this study's sample is confined to the employees of one firm, which does not reflect the entire population. Finally, the current study solely looks

at the following variables: recognition, responsibility, working conditions, and remuneration. As a result, no further factors were included in this research.

1.8 Definition of Terms

1.8.1 Intrinsic Motivation

Conceptual Definition

Intrinsic motivation refers to conduct that is motivated by internal benefits. This internal drive to engage in a certain action stems from the fact that it will naturally please you (Cherry, 2019).

Operational Definition

In this study, intrinsic motivation refers to recognition and responsibility.

1.8.1.1 Recognition

Conceptual Definition

Recognition is the acknowledgment of the outstanding performance of the employees (Andriotis, 2017).

Operational Definition

The organization recognizes employees' transcendence, achievement, tenure, or service, or desired behavior it will be motivated to maintain or improve their excellent work. Recognition assessed using Recognition Survey developed by Schouten (2006).

1.8.1.2 Responsibility

Conceptual Definition

Responsibility means that someone needs an obligation to do something (Chand, n.d).

Operational Definition

Responsibility drives the business results. Responsible employees are more involved and accountable to themselves to achieve results. In this study, the Personal Responsibility Questionnaire which develops by Mergler (2007) will be used to measure the responsibility.

1.8.2 Extrinsic Motivation

Conceptual Definition

Extrinsic motivation refers to doing something not for inner satisfaction, but to get reward or avoid punishment. (Marinoff, 2020).

Operational Definition

In this study, Extrinsic motivation refer to work condition and compensation.

1.8.2.1 Work Condition

Conceptual Definition

All components of the working environment, as well as employee employment terms and circumstances, are referred to as working conditions (Eurwork, 2011).

Operational Definition

Working conditions are the demand, environment, and terms of a job that influences the satisfaction of employees. The Work Environment Scale was created by Rudolf Moos will be assessed to measure the work condition in this study.

1.8.2.2 Compensation

Conceptual Definition

Compensation refers to the total amount of cash and non-monetary payments made to employees in consideration for their contributions to the company's activities (Kapper, 2018).

Operational Definition

Compensation is the benefits that an employee receives in exchange for the service they provide to their employer. Compensation will be assessed by using the Pay Satisfaction Questionnaire (PSQ) developed by Henanan and Schwab's (1985) in this study.

1.8.3 Job Satisfaction

Conceptual Definition

Job satisfaction is referring to the people's overall feelings and evaluation of job. Job satisfaction is also a pleasant or good emotional state resulting from people's assessments of their jobs. This definition includes both the emotional response (feeling) to work and the cognitive assessment (thinking) of work (Shiyani, n.d.).

Operational Definition

In this study, job satisfaction is whether a person is satisfied or dissatisfied with his or her job or work content. Job Satisfaction Survey (JSS) was developed by Spector to assess job satisfaction (1985)

1.9 Summary

This chapter covers the research background, problem statement, research objectives and research hypotheses, research significance, research limitations, and definitions of terms. In addition, this chapter explains the conceptual framework, which includes the association between intrinsic and extrinsic motivation factors with job satisfaction. The following chapter will describe the literature review related to this research.

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

Chapter two is about a review of the literature. First, the researcher discusses the issues related to the topic which includes recognition, responsibility, work condition, compensation, and job satisfaction. The second section exposed the theories related to the studies. The third section discusses past research regarding this study.

2.2 Discussion of Issues Related to Topic

2.2.1 Intrinsic motivation

The act of performing something without evident external benefits is known as intrinsic motivation. This is due to the fact that employees are pleased and fascinating, rather than because of external incentives or pressure. In this study, researcher focusing on the recognition factor and responsibility factor.

2.2.1.1 Recognition

Employee recognition is a psychologically proven way to motivate employees' enthusiasm and development. It is the main component of building a dedicated workforce and creating an overall employee experience (Dutta, 2020). Recent statistics show that 90% of employees say their recognition program has a positive impact on their engagement and motivation levels (Kulkami, 2017). Employee recognition is the key to employee satisfaction. Employee recognition is very effective and easy to implement the method, but it is often overlooked to improve employee satisfaction. According to Zojceska (2019), only 35% of employees were recognized for their outstanding work last year. Based on the article written by Harisson, we know that in a 2016 analysis by Gallup,