

CURRENT AFFAIRS HERZBERG MOTIVATIONAL THEORY – EMPIRICAL EVIDENCE

AKTUALNOST HERZBERGOVE MOTIVACIJSKE TEORIJE – EMPIRIJSKI DOKAZI

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Abstract: *The basic objective of this scientific debate is to examine the actuality and validity of Herzberg's motivation theory. Scientific research methods applied in confirming the working hypothesis about the relevance and validity this in literature underestimated theories based on scientific methods of analysis and synthesis, and methods of descriptive statistics. The resulting findings suggest that any manager should not ignore its recommendations, particularly not at times of economic crisis.*

Key words: *motivation, extrinsic job factors, intrinsic job factors, satisfaction*

Sažetak: *Temeljni cilj ove znanstvene rasprave jest istražiti aktualnost i valdidnost Herzbergove motivacijske teorije. Primijenjena znanstvena istraživanja pri dokazivanju postavljene hipoteza o aktualnosti i validnosti ove u literaturi podcjenjene teorije temelje se na znanstvenim metoda analize i sinteze, te metodi deskriptivne statistike. Dobivene spoznaje upu uju na zaklju ak da niti jedan menadžer ne smije zanemariti njene preporuke, poglavito ne u uvjetima gospodarske krize.*

Ključne riječi: *motivacija, ekstrinzi ni faktori, intrinzi ni faktori, zadovoljstvo*



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1. Introduction

Two-Factor Theory was proposed by Frederick Herzberg [5]. Herzberg accepted Maslow's concept of the importance needs, but went further to suggesting that not all needs are motivational. Herzberg's research led to the following conclusions: First, there are extrinsic job conditions whose absence or inadequacy causes dissatisfaction among employees. However, if these conditions are adequate, it does not necessarily mean the employees are motivated. These extrinsic-contextual factors are the dissatisfiers or hygiene factors. They include: job security, salary, working conditions, status, company policies, quality of technical supervision, quality of interpersonal relations among peers, supervisors, and subordinates and fringe benefits. Second, intrinsic job factors exist whose presence helps to build levels of motivation that can result in good job performance. However, if these conditions are not present, it does not cause dissatisfaction. These conditions are intrinsic-content factors of the job and are called motivators, or satisfiers. These include achievement, recognition, challenging work, responsibility, advancement, personal growth, learning, and development.

Two-Factor Theory has not received strong support in the literature, many authors underestimate [2], [6], [8], [9]. Accordingly, the aim of this paper is to explore the relevance Herzberg motivation theory in terms of the economic crisis.

2. Theoretical framework, problem and research methodology

Herzberg reduced Maslow's five need levels to two distinct levels (cf. exhibit 1). The hygiene factors, or dissatisfiers, are similar to Maslow's lower-level needs. They are essentially preventative factors that reduce dissatisfaction. In other words, hygiene factors, if absent in the job, lead to high level of dissatisfaction, if present, they create „zero dissatisfaction“ or neutrality. By themselves, hygiene factors do not motivate individuals to better performance.

A spate of attempted and successful suicides at France Telecom has sparked a debate about life in the modern corporation. This suicides was explicitly prompted by troubles at work. Since early 2008, 24 of the firm's employees have taken their own lives—and this follows similar episodes at other pillars of French industry including Renault, Peugeot and EDF [4]. Yet the problem is not confined to France. America's Bureau of Labour Statistics calculates that work-related suicides increased by 28% between 2007 and 2008, although the rate is lower than in Europe. And suicide is only the tip of an iceberg of work-related unhappiness. This is certainly one of the indicators of relevance Herzberg motivation theory. According to Herzberg's framework, the problems remain because these firms try to motivate through hygiene factors, which he claims are nonmotivational. To remedy the situation, according to Herzberg, management should direct its attention to the motivators – for example, changing jobs to remove the routiness, boredom, and lack of challenge.

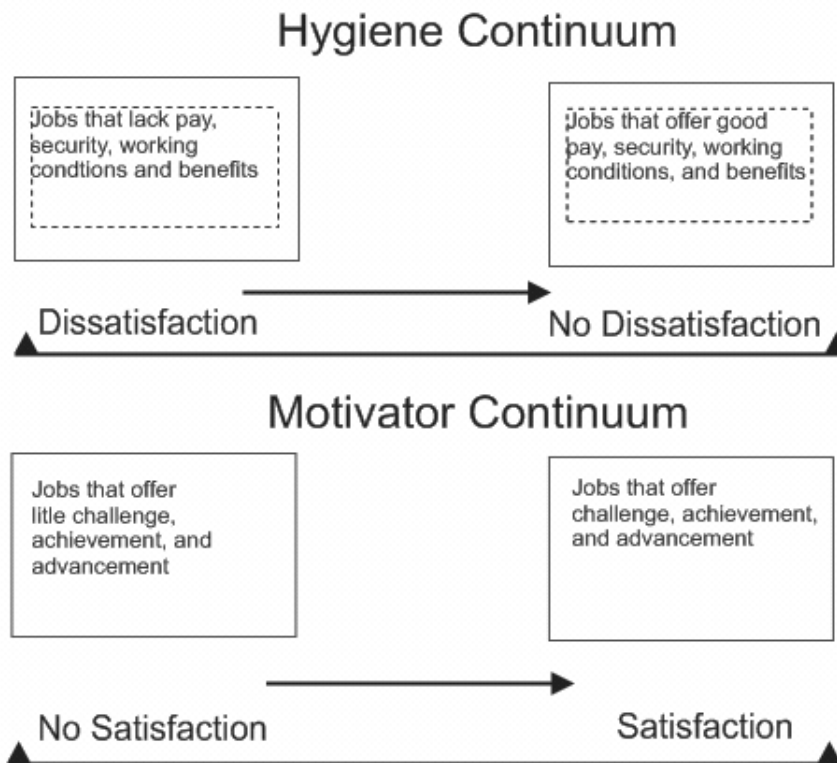


Exhibit 1. Herzberg's Motivation-Hygiene Theory [10]

The most obvious reasons for the rise in unhappiness are the: recession and drive to improve productivity. Recession destroying jobs and spreading anxiety throughout the workforce. Drive to improve productivity is typically accompanied by an obsession with measuring performance. Giant retailers use "workforce management" software to monitor how many seconds it takes to scan the goods in a grocery cart, and then reward the most diligent workers with prime working hours. In Japan some firms even monitor whether their employees smile frequently enough at customers.

„Disgruntled employees are figurative terrorists, says Paul Goodstadt, former director of quality development for England's National Westminster Bank. They can destroy customer perceptions of quality faster than just about any other factor I can think of [1]. A survey by the Centre for Work-Life Policy, an American consultancy, found that between June 2007 and December 2008 the proportion of employees who professed loyalty to their employers slumped from 95% to 39%; the number voicing trust in them fell from 79% to 22%. A more recent survey by DDI, another American consultancy, found that more than half of respondents described their job as "stagnant", meaning that they had nothing interesting to do and little hope of promotion. Half of these "stagnators" planned to look for another job as soon as the economy improved. People are both clinging on to their current jobs, however much they dislike them, and dreaming of moving when the economy improves. This is taking a toll on both short-term productivity and long-term competitiveness: the people most likely to move when things look up are high-flyers who feel that their talents are being ignored.

We use the ICSI2007 data (Indagine sulle Cooperative Sociali in Italia, Enquire on Social Cooperatives in Italy), which was collected by a pool of six universities

(Trento, Bergamo, Brescia, Milano Bicocca, Napoli Federico II and Reggio Calabria) in 2006 through questionnaires submitted to a representative sample of 4,134 employees and 338 managers of 411 Italian cooperatives. The survey includes a large set of questions ranging from socio-demographic controls (age, gender, education, etc.) to economic variables (e.g. wage), job characteristics (tasks, working hours, overtime) and job satisfaction with respect to a number of possible domains (relationship with colleagues, wage, type of job). The result is an extremely rich database which allows for the study of the conditions and motivations of people employed in Italian not-for-profit enterprises. The main weaknesses of this secondary data and interpretation of research results lies in fact that the survey was conducted before economic crises.

3. Research results and discussion

In order to inquire the nature of motivational drivers in social cooperatives, workers were asked to answer the following question: In general, how important are the following aspects of the work for you? Descriptive statistics in Table 1 clearly show the complexity of drivers in worker behaviour and exclude the possibility of a simplistic reduction of motivations to some unique dimension, such as the monetary one.

Item	No of observation	Average (1-12)	Standard deviation	Percent 10 or higher	Mode	Median
Extrinsic motivation						
Flexibility of working hours	3992	8,00	3,09	37,40	9	9
Wages and economic incentives	3932	8,63	3,00	49,20	12	9
Self realization and career prospects	3911	8,36	3,12	44,80	12	9
Job stability	3950	9,52	2,79	61,90	12	11
Relatedness on the job	3965	9,50	2,59	61,30	12	10
Intrinsic motivations						
Autonomy, variety and creativity	3920	8,48	3,03	45,60	12	9
Job coherent with individual training	3915	7,06	3,69	33,00	1	8
Social visibility of the job	3905	7,20	3,51	32,50	12	8
Physical working environment	3927	7,44	3,69	38,40	12	8
Sharing common ideals and values	3944	8,77	3,25	52,50	12	10

Table 1. Job motivations items, Source: Prepared author according: ICSI 2007 database [3]

Workers are clearly motivated by social relatedness, but some other extrinsic and intrinsic aspects, such as job stability and the sharing of ideals also appear to play a crucial role. The employees surveyed rank wages and other economic incentives only third in importance and other extrinsic aspects even lower (cf. table 1). Each of the 10 chosen motivational items was evaluated on a scale who goes from a minimum of 1 (low satisfaction) to a maximum of 12 (high satisfaction).

Extrinsic aspects of the job receive a high degree of attention too, especially in relation with job stability, economic remuneration and accomplishment in terms of career and self-realization. Among the items of intrinsic motivation, the search for variety and creativity and the search for common values and objectives appear dominant.

The selection of satisfaction items stressed the relevance of the intrinsic and extrinsic components of satisfaction, since these are most likely to be related to worker motivations, to the inclusive governance of the organization in terms of fairness and transparency of procedures, and to the incentive mix implemented by the organization and directed to valorise both monetary and non-monetary aspects of the job. Average values of the selected items are displayed in Table 2.

Satisfaction with ...	No of observation	Average (1-7)	Standard deviation	Mode	Median
Extrinsic aspects					
Work hours	4035	5,35	1,58	7	6
Flexibility of work hours	3966	5,41	1,55	7	6
Job security	3984	5,34	1,69	7	6
Work environment	3985	5,32	1,59	7	6
Social security	3946	5,49	1,61	7	6
Wage satisfaction	4072	3,80	1,70	6	6
Intrinsic aspects					
Involment in the decision-making process	3999	4,29	1,67	4	4
Transparency of procedures	4027	4,90	1,69	4	5
Recogniton of his/her work by the cooperative	4019	4,81	1,70	4	5
Professional development	3971	4,64	1,59	4	5
Autonomy in decesion-making	3986	5,07	1,48	6	5
Achieved and expected career prospects	3861	3,83	1,71	4	4
Self-realization	3947	4,92	1,63	6	5
Variety and creativity of the job	3991	5,20	1,49	6	5

Table 2. Job satissfaction, Source: Prepared author according: ICSI 2007 database [3]

Average satisfaction is relatively high for all the considered items apart from the wage. The items of extrinsic satisfaction show a strong homogeneity of results and high values, as also testified by their modal and median values. Stronger variability is shown by the average values of the items of intrinsic satisfaction. Social cooperatives appear particularly strong in satisfying their workforce in terms of autonomy and

overall sense of self-realization. A good performance is also shown in terms of transparency of procedures, recognition of workers' contributions, and the ability to guarantee professional development. More problematic are the results concerning involvement in decision-making, which does not appear to be a characterizing feature of social cooperatives. Finally, weak results matching the relatively low score of wage satisfaction are achieved in the case of achieved and expected career prospects. Though the degree of wage satisfaction is low, the overall degree of job satisfaction is fairly high and this shows the ability of these firms to fulfil workers' expectations and needs on most dimensions of their activity. Based on the data from the table 2 is visible greater importance of extrinsic factors in job satisfaction than intrinsic. This results are quite similar to Maidani findings. Maidani [7] compared public sector and private sector employees' ratings of the importance of fifteen job factors. He found that both sectors identified intrinsic factors as important, but public sector employees rated extrinsic factors as more important than private sector employees did. Although many factors contribute to employee job satisfaction, only two have remained among the top five aspects in the period from 2002 to 2012. In a recovering USA economy, none of the aspects employees selected as the top five contributors to their job satisfaction was a surprise.

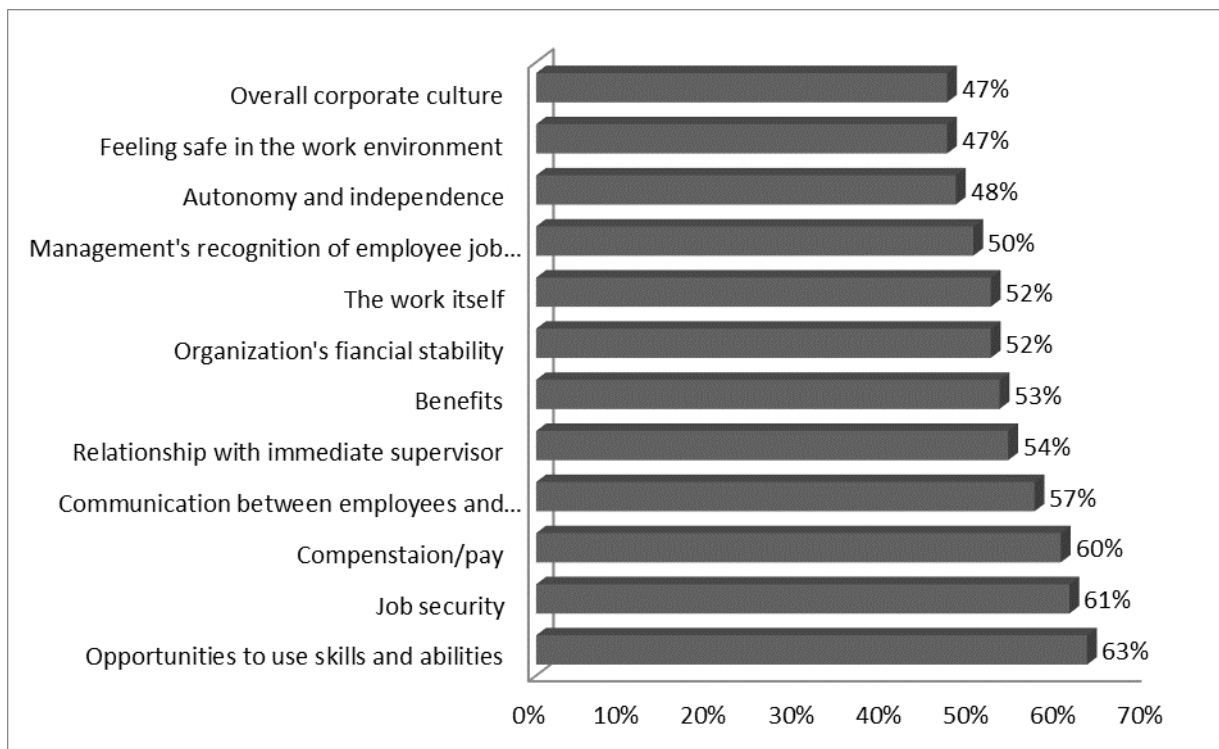


Exhibit 2. Very important aspects of employee job satisfaction in 2012., Source: Prepared author according: <http://www.shrm.org> (8.04.2014.)

4. Conslusion

In mainstream economics, the employment relationship was mainly conceived as an exchange of wage for time and effort, since the worker is supposed to only pay attention to the contracted labour services he/she is delivering to the firm. Employee

performance is frequently described as a joint function of ability and motivation, and one of the primary tasks facing a manager is motivating employees to perform to the best of their ability. It is no longer possible to assume that the wage is the sole (not even the most important) variable influencing worker performance. In particular, in certain work field, like social enterprises, it's hard to evaluate and control employees job, and this make clear that there should be more motivation in determining happiness of workers. Work motivation is invisible, internal, hypothetical construct. We cannot actually see work motivation nor can we measure it directly. Instead, we can recognize the set of internal and external forces that initiate work-related behavior, and determine its form, direction, intensity, and duration. Herzberg argued that only characteristics of the job itself motivate employees, whereas the hygiene factors merely prevent dissatisfaction. It might seem obvious to us today that the job itself a source of motivation, but the concept was radical whe Herzberg proposed the idea. Herzberg motivational theory in terms of the economic crisis gets on its actuality and it is difficult to assume that any manager could ignore its recommendations.

5. Literature

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