

IMPACTS OF INTRINSIC MOTIVATION AND JOB SATISFACTION: THE MODERATING ROLE OF INCOME

● NGUYEN THI THU THAO

ABSTRACT:

This research is to examine the role of income on the relationship between intrinsic motivation and job satisfaction by analyzing 284 young and middle-career employees in Ho Chi Minh City, Vietnam. This research finds out that the intrinsic motivation, specifically perceived opportunities for growth at work, has stronger positive impacts on the job satisfaction of employees who have high income level than those that have low income level. This research's findings suggest that different motivational schemes should be applied to different group of employees depending on their income levels.

Keywords: intrinsic motivation, growth, income, job satisfaction.

1. Introduction and background

Job satisfaction at work is a vital determinant of humans well-being and organizations productivity (Mohammad, Quoquab Habib and Alias, 2011). Therefore, substantial research effort has put on determining predictors of job satisfaction. Among those determinants, motivation holds the most research appeal (Mafini and Dlodlo, 2014; Sohail et al.2014; Jehanzeb, Rasheed and Rasheed 2012). While, research found contradictory results of the impact of extrinsic motivations factors on job satisfaction (Abdulla, Djebarni and Mellahi, 2011; Chu and Kuo, 2015; Lundberg, Gudmundson and Andersson, 2009), intrinsic motivation was consistently found to have positive relationship with job satisfaction. However, little research has discussed the mechanism of the relationship, specifically, the moderating role of income on intrinsic motivation and job satisfaction (Nyame-Mireku, 2012; Abdulla, Djebarni and Mellahi, 2011). This research will respond to the call of Furnham, Forde and Ferrari (1999) by examining the moderating role of income on the relationship between intrinsic motivation and job satisfaction.

2. Theoretical framework and model

2.1. Job satisfaction

Job satisfaction is defined as an effective response to the job (Spector,1997), meaning the extent to which employees like or dislike their job (Chuang, Yin and Dellmann Jenkins, 2009; Smith, Gregory and Cannon, 1996). It is argued that job satisfaction highlights an emotional state, positive or negative, arising from the evaluation of job experiences (Mafini & Dlodlo, 2014; Saleem, Mahmood and Mahmood, 2010).

2.2. Intrinsic motivation

Intrinsic motivation is established on the initial research by Deci and Ryan (Deci and Ryan 2010; 2000a;) in which intrinsic motivation is defined as the inherent tendency to seek novelty and challenges. When individuals are intrinsically motivated, they perceive themselves as competent and self-determined, which results in their inclination to explore novelty and challenges. Researchers largely agree that intrinsic motivation as the doing of an activity for inherent satisfaction rather than for separable consequences (Kuvass et al.,2017; Saleem, Mahmood and Mahmood (2010)

and Deci and Ryan (2000b). These factors pertain to the job itself and are not contingent on incentives (Alshmemri, Shahwan-Akl and Maude, 2017). Herzberg, Mausner and Snyderman (1959) identified six intrinsic motivation factors including achievement, recognition, work itself, responsibility, advancement and growth.

Achievement is the feeling of accomplishment as a result of finding a solution to a problem. (Beygatt, 2018; Thomas, 2015). Recognition includes appreciation and praise from the managers, coworkers and subordinates (Rani, Heang and Rahman, 2018). The work itself is attached to characteristics of the jobs or tasks that employees perform (Beygatt, 2018). Danish and Usman (2010), however, assigned more weight to the affective aspect of jobs and defined the work itself as the employees expressed liking or disliking of their jobs. Responsibility is defined as the ability to execute tasks and make decisions independently (Fareed & Jan, 2016; Ruthankoon & Ogunlana, 2003). Sanjeev and Surya (2016) associated responsibility with the freedom to create and execute business plans. Advancement is the opportunities for promotion or increase in job status (Beygatt, 2018; Rani, Heang & Rahman, 2018; Hyun & Oh, 2011). In details, the opportunities for promotion may include the chances to move within or outside the company on the basis of experience and proficiency. Growth was less consistently defined in literature. Some researchers posited that the definition of growth should include opportunities for advancement and growth within the organization (Rani, Heang and Rahman, 2018; Fareed & Jan, 2016). However, this definition strongly correlates with that of advancement. In this research, growth is defined as the opportunities to grow and learn new skills on the job (Beygatt, 2018; Fareed & Jan, 2016).

2.3. Intrinsic motivation and job satisfaction

Extant literature on the relationship between overall intrinsic motivation and job satisfaction has been providing almost consistent results. Ghazi, Shahzada and Khan (2013) sampled teachers in universities in Khyber PakhtunKhwā, Pakistan and found a statistically significant positive relationship between intrinsic motivations in general and job satisfaction. Ahmed and colleagues (2010) also examined this relationship on 312 administrative staffs at a university and produced the same result.

Similarly, Breugh, Ritz and Alfes (2018) studied the effect of intrinsic motivation on job satisfaction and such effect was found to be statistically significant positive. Notably, literature on relationships between intrinsic motivations dimensions and job satisfaction varies for three dimensions: recognition, responsibility, and growth. Therefore, this research aims to re-examine the relationship of the three components and job satisfaction for better understanding mechanism of the effects of intrinsic motivations on job satisfaction.

Literature on the relationship between recognition and job satisfaction is mixed. Many researchers found that recognition had a statistically significant positive effect on job satisfaction (Nyame-Mireku, 2012; Tan & Waheed, 2011; Hyun & Oh, 2011). For example, Lundberg, Gudmundson and Andersson (2009), examining the satisfaction among 263 seasonal workers at ski resorts, found that there was a statistically significant positive association between recognition and job satisfaction. Similar results were found in the pharmaceutical industry with the sample of 450 pharmaceutical sales and marketing (Sanjeev & Surya, 2016).

However, there still exists controversy effect of recognition on job satisfaction. Beygatt (2018) examined the relationship between recognition and job satisfaction among employees in companies that use Employee Stock Ownership Plan (ESOP) and found no statistically significant effect thereof. Fareed and Jan (2016) sampled 418 bank officers in Khyber PakhtunKhwā and found no significant association between recognition and job satisfaction. Such contradiction necessitates the re-examination of the impact of recognition on job satisfaction in this research.

Relationship between responsibility and job satisfaction is also far from consistent. On the one hand, responsibility at work was believed to have a statistically significant positive effect on job satisfaction (Andersson, 2017; Danish & Usman, 2010). On the other hand, some researchers posited that responsibility had no effect on job satisfaction. Hur (2018) examined job satisfaction among 790 public managers and found that there was no statistically significant relationship between responsibility and job satisfaction. Fareed and Jan (2016) sampled bank officers in

Khyber Pakhtunkhwa and found no statistically significant association between responsibility and job satisfaction. Hyun and Oh (2011) surveyed the soldiers and officers serving in the Korean Army foodservice operation. The result demonstrated that while responsibility had statistically significant positive effect on job satisfaction of logistics officers, such effect was insignificant with respects to food service soldiers. In view of the mixed literature on the effect of responsibility on job satisfaction, this research is designed to understand the mechanism insight the relationship.

The relationship between growth and job satisfaction is more sophisticated. Some researchers agreed that growth had a statistically significant positive effect on job satisfaction (Beygatt, 2018). Chu and Kuo (2015) examined the predictors of job satisfaction among teachers in elementary schools in Taiwan and found that growth had a statistically significant positive impact on job satisfaction. There are also other researches demonstrated that there was no statistically significant relationship between the two. (Hur, 2018; Fareed & Jan, 2016).

The contradictory findings about relationships between three dimensions of intrinsic motivations namely recognition, responsibility and growth and job satisfaction relatively have drawn attention of this research. This research argued that the contradictory findings in literature might be explained by examining the effect of moderating variables.

2.4. The moderating effect of income on the relationship between intrinsic motivation factors and job satisfaction

Literature gives few insights into the moderating effect of income on the relationship between intrinsic motivation factors and job satisfaction. This research argued that, for high income employees, intrinsic motivation, namely recognition, responsibility, and growth would have stronger impaction job satisfaction. In contrast, for low-income employees, these factors have less influence on job satisfaction.

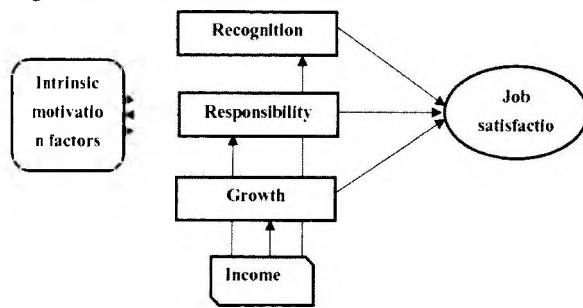
3. Theoretical model

3.1. Research framework

Hypotheses:

H1: Recognition has a significant positive effect on job satisfaction.

Figure 1: Research framework



H2: Responsibility has a significant positive effect on job satisfaction.

H3: Growth has a significant positive effect on job satisfaction.

H4: The effect of recognition on job satisfaction is significant stronger for high-income group than low-income group.

H5 The effect of responsibility on job satisfaction is significant stronger for high-income group than low-income group.

H6: The effect of growth on job satisfaction is significant stronger for high-income group than low-income group.

3.2. Methodology

3.2.1. Measurements

To measure job satisfaction, this research employed the 3-item scale initiated by Cammann and colleagues (1983), which is a part of Michigan Organizational Assessment Questionnaire (MOAQ-JSS). Three items of the scale are as follows: All in all, I am satisfied with my job; In general, I don't like my job (reverse-scored); In general, I like working here.

The scale for "Recognition" has three items including "I receive adequate recognition for doing my job well; My manager always thanks me for a job well done; I receive adequate recognition for doing my job well" adapted from Rani, Heang, Rahman (2018). The scale for "Responsibility" spans five items, adapted from Weiss, Dawis and England (1967), including "I have the chance to make decisions on my own; I have the freedom to use my own judgement; I have the chance to be responsible for planning my work; I have the chance to make decisions on my own; I have the chance to be responsible for the work of others I have the freedom to use my own judgement". The scale for "Growth" cover five items, adapted from Abdulla, Djebarni and Mellahi (2011), including

“The company provides me with adequate resources and chances to develop myself professionally (e.g. workshops, courses and conferences); The company provides me with enough work-related training; My company practises job rotation (that is, the rotation of workers between different tasks to acquire skills; I am given the chance to try out some of my own ideas; Regarding opportunities for professional development, I feel that I am treated fairly compared with colleagues in my organisation who have similar qualifications and who have served a similar number of years”.

The Cronbach’s alpha values of all measurement satisfied the internal consistency that is greater than 0,7 (Job satisfaction (0,756); Recognition (0,725); Responsibility (0,799); and Growth (0,785).

Income is measured in four groups: Less than 20 million VND, from 20 million to under 30 million VND: from 30 million to under 45 million VND, and from 45 million upward.

3.2.2. Data collection

The questionnaire is self-administered online through Google Forms. The population comprises employees working in private sector in Ho Chi Minh City. The sample consists of employees currently working in various industries. The employed sampling technique is quota sampling. The sample size is 284 N that satisfies $N \geq 5k$, with k being the number of observed variables (Bollen, 1989) and $N \geq 50 + 8m$, with m being the number of independent variables.

4. Findings

4.1. Exploratory Factor Analysis (EFA)

The EFA and Kaiser-Meyer-Oklín were conducted before testing hypotheses. The two tests confirmed that the observed variables are correlated and the dataset is a good fit for analysis and exploratory factor analysis is found items are loaded surrounding expected latent variables.

4.2. Correlation analysis

Pearson product-moment correlation coefficients are obtained for job satisfaction and three independent variables. Results of correlation analysis are presented in Table 1.

The independent variables are moderately correlated with the dependent variable. All of the correlation coefficients are statistically significant at 1% level with P-value of 0,000. It can be inferred that there exists a relationship between each of the

Table 1. Pearson correlation coefficients between variables

		JSAT	REC	RES	GRO
JSAT	Pearson corr.	1	.464**	.369**	.485**
	Sig. (2-tailed)		.000	.000	.000
REC	Pearson corr.	.464**	1	.395**	.450**
	Sig. (2-tailed)	.000		.000	.000
RES	Pearson Correlation	.369**	.395**	1	.407**
	Sig. (2-tailed)	.000	.000		.000
GRO	Pearson corr.	.485**	.450**	.407**	1
	Sig. (2-tailed)	.000	.000	.000	

Source: Author (2020)

three factors and job satisfaction and regression analysis can be performed to determine the effect of each factor on job satisfaction.

4.3. Regression analysis

4.3.1. Intrinsic motivation and job satisfaction

Overall, all intrinsic factors are statically and economically significant positive correlate with job satisfaction (Recognition and growth at 1% with $t_{REC} = 4,472$, $p_{REC} = 0,000$; $t_{GRO} = 5,028$, $p_{GRO} = 0,000$; Responsibility is significant at 5% with $t_{RES} = 2,296$, $p_{RES} = 0,023$). In terms of economic significance, recognition has the strongest impact on job satisfaction with unstandardized coefficient of 0,278. Growth also has a nearly as strong impact on job satisfaction with the regression coefficient of 0,271. Responsibility has the weakest effect on job satisfaction among three factors, with the regression coefficient of 0,142. Therefore, Hypothesis H1, H2, H3 are confirmed.

4.3.2. Testing moderating effect of income on the relationship between intrinsic motivation and job satisfaction

The Kruskal - Wallis test was conducted to examine the difference in job satisfaction across income levels. The result shows that Chi-square is equal to 8,379 and there is statistically significant difference at 1% level in the level of job satisfaction between high-income (above 20 million VND) and low-income (less than 20 million VND) employees. However, the Kruskal - Wallis test only helps to determine if there exists a difference in the level of job satisfaction between two or more groups but does not

Table 2. Results of regression of job satisfaction on intrinsic factors

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tol.	VIF
(Constant)	1,256	,250		5,022	,000		
REC	,278	,062	,272	4,472	,000	,744	1,344
RES	,142	,062	,136	2,296	,023	,779	1,284
GRO	,271	,054	,308	5,028	,000	,735	1,360

Sourcer: Author (2020)

explicitly assert which category has higher job satisfaction than the other.

Result shows that the two interaction terms involving recognition and responsibility are not statistically significant at 1% or 5% level while the interaction term between growth and income is statistically significant at 5% level with $t = 2,397$ and $p = 0,017$. It means that income does not moderate the relationships between recognition, responsibility and job satisfaction whereas income moderates the relationship between growth and job satisfaction. Specifically, the effect of growth on job satisfaction is stronger for high-income employees than low-income employees given the unstandardized coefficient being positive at 0,257. Therefore, Hypotheses H4 and H5 are rejected while hypothesis H6 is confirmed.

4.4. Discussion

It is explained from the result that when people have reached a certain level of income, it is likely that they will care more about intrinsic factors and

in this case, growth opportunity at work. The need for income is at the security level, and the need for growth is at the self-actualization level of the Maslows hierarchy of needs (Maslow, 1958). When a lower level need is satisfied, people will move to more advanced needs. Specifically, young and middle career employees who are grouped into high income scheme (of 20 million VND and above), these employees might prioritize to receive opportunities to develop professionally such as training and job rotation rather than those with income below 20 million VND.

This research does not support the moderating effects of income on the two relationships between recognition and job satisfaction and between responsibility and job satisfaction. Even though, it is argued that high income employees often represent more experienced and knowledgeable, senior staff who are expected to enjoy high recognition and more freedom at work. The non-significant found in the moderating effects of

Table 3. Result of the moderating effect of income on the relationship between intrinsic motivation factors and job satisfaction

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tol.	VIF
(Constant)	3,722	,050		7,768	,000		
INC	-,460	,511	-,306	-,900	,369	,023	43,330
REC_C	,348	,080	,341	4,372	,000	,438	2,283
RES_C	,081	,078	,078	1,040	,300	,475	2,105
GRO_C	,156	,071	,177	2,181	,030	,405	2,466
REC_CxINC	-,173	,125	-,452	-1,389	,166	,025	39,738
RES_CxINC	,096	,130	,255	,737	,462	,022	45,029
GRO_CxINC	,257	,107	,648	2,397	,017	,036	27,493

Sourcer: Author (2020)

income on recognition and responsibility might be explained as the same scheme of income levels used for every industry, position are not appropriate. It is because a perceived high income in this industry might be regarded as relatively low in another industry. Further research might re-examine these relationships in a context of one industry or sector only.

This research extends knowledge about the effect of moderating variable, namely income, on the relationship between intrinsic motivation and job satisfaction. In general, there are positive significant relationship between intrinsic

motivations variables and job satisfaction, however, flexible adjustment in intrinsic variables would lead to different level of outcome, job satisfaction while buffering factor such as income is added.

For practical implication, these findings benefit managers to manage their human resource more efficiently. Specifically, for senior level staff with relatively high income, growth opportunities at work means greater to their job satisfaction and less turnover as consequence. In contrast, for junior staff level, other variables rather than growing might work better in improving their satisfaction at work ■

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VAI TRÒ CỦA THU NHẬP TRONG MỐI QUAN HỆ GIỮA ĐỘNG LỰC NỘI TẠI VÀ SỰ HÀI LÒNG TRONG CÔNG VIỆC

● NGUYỄN THỊ THU THẢO

Trường Đại học Ngoại thương, Cơ sở TP. Hồ Chí Minh

TÓM TẮT:

Nghiên cứu này nhằm xem xét vai trò của thu nhập đối với mối quan hệ giữa động lực nội tại và sự hài lòng trong công việc, thông qua việc phân tích dữ liệu từ 284 nhân viên trẻ, đã có kinh nghiệm làm việc tại TP. Hồ Chí Minh. Nghiên cứu cho thấy động lực nội tại, đặc biệt là các cơ hội phát triển trong công việc có tác động tích cực đến sự hài lòng trong công việc. Bên cạnh đó, nhân tố này có tác động lớn hơn ở nhóm nhân viên có mức thu nhập cao, so với nhóm nhân viên có thu nhập thấp. Các kết quả nghiên cứu cho thấy, nên áp dụng các chương trình tạo động lực khác nhau cho các nhóm nhân viên khác nhau dựa trên mức thu nhập của họ.

Từ khoá: động lực nội tại, tăng trưởng, thu nhập, sự hài lòng trong công việc.