



Received: 22 February 2017
Accepted: 30 May 2017
First Published: 02 June 2017

*Corresponding author: Arielle Turner,
College of Information, University of
North Texas, Denton, USA
E-mail: arielleturner@my.unt.edu

Reviewing editor:
May Cheng, Education University of
Hong Kong, Hong Kong

Additional information is available at
the end of the article

PROFESSIONAL EDUCATION & TRAINING | RESEARCH ARTICLE

How does intrinsic and extrinsic motivation drive performance culture in organizations?

Arielle Turner^{1*}

Abstract: The performance culture of an organization is impacted by the motivation of an organization's employee. Determining whether or not an employee's motivation is intrinsic or extrinsic is helpful for organizations to see what is more of a drive in their performance. The following article reviews literature on the subject of employee motivation to determine whether intrinsic or extrinsic motivation is becoming the driving force of business. Upon review, it has been shown that there is a mixed approach in whether or not employee's motivation is intrinsic or extrinsic. The type of motivation is also based on one's role within their organization. The implications of the review are given.

Subjects: Education - Social Sciences; Economics, Finance, Business & Industry; Education

Keywords: intrinsic motivation; extrinsic motivation; organizational culture

1. Introduction

All individuals are drawn to some form of motivation, whether intrinsic, extrinsic, or a combination of both. This is seen both in an individual's personal and professional realms. Due to this, organizations are seeking answers as to whether or not programs that cater to extrinsic motivation are necessary for their employees to continue to be productive and effective. These programs come at a sometimes substantial cost and it is imperative to determine whether or not there is an actual need for extrinsic motivation in the workplace.

2. Purpose

The purpose of this article is to determine whether intrinsic or extrinsic motivation is the driving force of an employee's performance within an organization. This allows for organizations to develop proper protocols for dealing with performance issues within their organizations as they will have additional guidelines to determine which route to proceed in. This will also provide organizations

ABOUT THE AUTHOR

Arielle Turner is a third-year Applied Technology and Performance Improvement doctoral student at the University of North Texas. Her main research focuses are academic hubs, organizational culture, and learning technologies. The research reported within this paper is the beginning of the work Arielle has focused on regarding organizational culture, in terms of motivation and performance.

PUBLIC INTEREST STATEMENT

This article provides insight into motivation within an organization. The types of motivation, intrinsic and extrinsic, are explained as well as the role these types of motivation play within the performance culture of an organization. A literature review was conducted in order to determine if intrinsic motivation, extrinsic motivation, or a combination of both, had greater impact on performance culture within organizations. Upon review, it has been shown that there is a mixed approach in whether or not employee's motivation is intrinsic or extrinsic. The type of motivation is also based on one's role within their organization.

with knowledge necessary in determining whether or not the motivation protocols that they are currently doing regarding employee performance is in fact proven to be successful in research.

3. Significance of intended study

With the growing number of organizations being established, there is an increase in the interest of determining the best methods to motivate employees. Organizations understand that their employees are the guide to being successful and need to do what is necessary in order to ensure that they are motivated, long-term, and productive employees. By researching how motivation, whether intrinsic or extrinsic effects performance culture, organizations will be provided with information necessary to better motivate their employees.

4. Statement of problem

The lack of direction in determining whether or not intrinsic or extrinsic motivation in some organizations is what drives employees' performance is a major concern. Failure to fully understand, this can result in unmotivated employees. This can lead to the failure of an organization. It needs to be determined whether or not there is a significant difference between the two types of motivation, and if so, in what way.

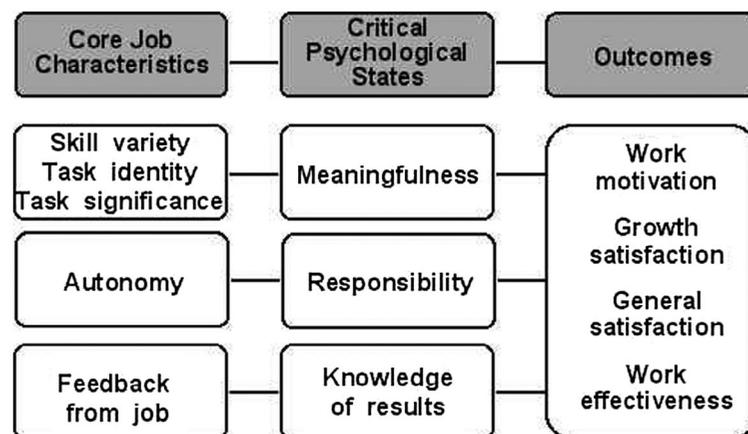
5. Theoretical model

The job characteristics model, developed by Hackman and Oldham in 1976, is used in order to plan and carry out changes that are within a design of work. It helps to specify the interaction between an individual's differences and the characteristics of one's job (Casey, Hilton, & Robbins, 2012; Hackman & Oldham, 1976). This interaction can affect one's satisfaction, motivation, and productivity within the work environment (Casey et al., 2012). Figure 1 provides a visual model for the Job Characteristics Model.

Within the model, the five dimensions which are: skill variety, task identity, task significance, autonomy, and feedback are not empirically independent, and there are substantial relationships between the job dimensions and the outcome measures (Hackman & Oldham, 1976). Skill variety is defined as how well the job design allows the employee to utilize different skills (Fornaciari & Dean, 2005). Task identity is defined as how well the job design allows the employee to complete their task from beginning to the end (Fornaciari & Dean, 2005). Task significance is defined as how much of an effect the job task has on the employee (Fornaciari & Dean, 2005). Autonomy is described as the leeway that is given to the employee to complete their job tasks (Fornaciari & Dean, 2005). Lastly, feedback is described as the ability of the employee to receive direct and significant feedback (Fornaciari & Dean, 2005).

Figure 1. Job characteristics model.

Source: Hackman and Oldham (1975).



The Job Characteristics model proposes that meaningfulness of work, responsibility, and knowledge of outcomes is related to high motivation (Hackman & Oldham, 1976). Within meaningfulness of work, the work must be seen as meaningful in the realm of skill variety, task identify, and task significance (Hackman & Oldham, 1976). Responsibility is seen when the individual has autonomy in carrying out their work (Hackman & Oldham, 1976). Knowledge of outcomes is based on the feedback received from their work performance (Hackman & Oldham, 1976).

6. Literature review

A review of literature was conducted to determine how intrinsic and extrinsic motivation drives performance culture within organizations. A search of articles, both peer-reviewed and full text, was made from the JSTOR database via the University of North Texas' online library system. Date and database parameters were defined to obtain current specific data, with the time period of January 2005 to December.

To narrow the search, the subject term selected was article, the content type selected was journal article, the journal filter selected was management and organizational behavior discipline, and the language selected was English. The search was compiled using the terms: "intrinsic," and "extrinsic," and "motivation," and "performance," and "culture." From this search, 85 results were found and from these 85 results, 59 of the results were relevant to the subject of the literature review. Additional sources were found once reviewing the 59 results. A mixture of quantitative, qualitative, and mixed method research compile the results of the literature review, with a majority of results being qualitative.

While it is shown that performance and image consequences has a significant impact on performance culture, motivation also has a major impact (Yuan & Woodman, 2010). Kanfer (1990), defines motivation as "psychological forces that determine the direction of a person's level of effort and a person's level of persistence in the face of obstacles." This motivational impact ties in with the consequences an employee faces in the workplace related to performance, and motivation, whether intrinsic or extrinsic (Jandaghi, Fard, Saadatmand, Sharahi, & Rajabi, 2011; Perry, Hondeghem, & Wise, 2010; Yuan & Woodman, 2010). These intrinsic and extrinsic motivations provide a stimulus that can include autonomy, feelings of accomplishment, job security, benefits, and vacation time (Casey et al., 2012).

Literature also states that those within lower level positions of an organization are more prone to extrinsic motivation factors, than higher level positions (Bård, 2006). Lower level positions tend to have lower wages than higher level positions, which explains the need for extrinsic motivational factors that have some form of a monetary component. This can lead to an increase in one's base wage, and thus a happier and more productive employee. This is not to say that higher level positions within an organizational do not want extrinsic motivations. Literature finds that the higher level positions have a more balanced view of utilizing intrinsic and extrinsic motivational factors (Bård, 2006). Overall, while the literature mostly stressed the benefits of extrinsic motivation and its effect on lower level employees, there is still room for intrinsic motivation. While intrinsic motivation is not in the forefront of the literature, it still has a very important place in the organizational, especially with higher level employees. Intrinsic motivation has more of an effect than extrinsic rewards on work performance, while extrinsic motivation has is more weighted depending on the type of work environment (Bård, 2006; Basu & Palazzo, 2008; Berg, Grant, & Johnson, 2010; Hall & Heras, 2010; Lyons, Duxbury, & Higgins, 2006). Parapublic sector employees have been found to gravitate more toward extrinsic motivational factors and want to physically see the value of their work contribution to society (Lyons et al., 2006). Private sector employees are gravitating toward intrinsic motivation, unless they are within the lower ranks of the company (Wright, 2007). The lower ranking employees are still searching for external motivation factors to determine their rate of work and gravitate toward companies that utilize this policy (Thomas, Sorensen, & Eby, 2006).

When looking at the results overall, it has been shown that “employees want to perform their jobs well, to increase their capacity and opportunity to add value, and be part of an effective and humane organization,” with motivational factors, whether intrinsic or extrinsic, still have a role (Robertson, Wang, & Trivisvavet, 2007). It is still unsure as to what specific level both intrinsic or extrinsic motivational factors have within the performance culture of an organization, but it has been shown that there is in fact a motivational component. While research has shown that different types of employees and the different rankings of an employee do tend to prefer different types of intrinsic or extrinsic motivational factors, organizations are not necessarily utilizing these results to apply to their employees in order to increase their performance culture.

7. Recommendations for practice

The information within the literature review leads to the understanding that employers are needing to explore the extrinsic motivational options that are currently available within the company. This information will help to determine if there needs to be a revision. When looking at the current status of their employees, employers can now be more aware of what intrinsic and extrinsic motivations do to their company’s success and apply them as necessary within appropriate levels of their organization.

8. Conclusion

Extrinsic motivation is commonly used to entice employees. Organizations can control the use of extrinsic motivation by deciding the best method of instilling them. Employers needs to make sure that it is known to employees what factors needs to be met in order to obtain these extrinsic motivations. This will help in aiding the proper utilization of an employees’ skill within the workplace.

Funding

The author received no direct funding for this research.

Author details

Arielle Turner¹

E-mail: arielleturner@my.unt.edu

ORCID ID: <http://orcid.org/0000-0002-0268-1378>

¹ College of Information, University of North Texas, Denton, USA.

Citation information

Cite this article as: How does intrinsic and extrinsic motivation drive performance culture in organizations?, Arielle Turner, *Cogent Education* (2017), 4: 1337543.

References

- Bård, K. (2006). Work performance, affective commitment, and work motivation: The roles of pay administration and pay level. *Journal of Organizational Behavior*, 27, 365–385. doi:10.1002/job.377
- Basu, K., & Palazzo, G. (2008). Corporate social responsibility: A process model of sensemaking. *The Academy of Management Review*, 33, 122–136. doi:10.2307/20159379
- Berg, J. M., Grant, A. M., & Johnson, V. (2010). When callings are calling: Crafting work and leisure in pursuit of unanswered occupational callings. *Organization Science*, 21, 973–994. doi:10.1287/orsc.1090.0497
- Casey, R. J., Hilton, R., & Robbins, J. (2012). A comparison of motivation of workers in the United States versus Nicaragua and Guatemala utilizing the Hackman and Oldham job characteristics model. *International Journal of Business & Public Administration*, 9, 39–59. Retrieved from <http://www.iabpad.com/journals/international-journal-of-business-and-public-administration-2/>
- Fornaciari, C. J., & Dean, K. L. (2005). Experiencing organizational work design: Beyond Hackman and Oldham. *Journal of Management Education*, 29, 631–653. doi:10.1177/1052562904273378
- Hackman, J. R., & Oldham, G. R. (1975). Development of the job diagnostic survey. *Journal of Applied Psychology*, 60, 159–170. doi:10.1037/h0076546
- Hackman, J. R., & Oldham, G. R. (1976). Motivation through the design of work: A test of theory. *Organization Behavior and Human Performance*, 16, 250–279. doi:10.1016/0030-5073(76)90016-7
- Hall, D. T., & Heras, M. L. (2010). Reintegrating job design and career theory: Creating not just good jobs but “smart” jobs. *Journal of Organizational Behavior*, 31, 448–462. doi:10.1002/job.613
- Jandaghi, G., Fard, S. M. H., Saadatmand, M., Sharahi, I. C., & Rajabi, M. (2011). Investigation the relationship between job traits and job stress. *Australian Journal of Business and Management*, 1, 24–31. Retrieved from <http://www.ajbmr.com/>
- Kanfer, R. (1990). Motivational theory and industrial psychology. In M. D. Dunnette & L. M. Hough (Eds.), *Handbook of industrial and organizational psychology* (2nd ed., pp. 75–170). Palo Alto, CA, Consulting Psychologists Press.
- Lyons, S. T., Duxbury, L. E., & Higgins, C. A. (2006). A comparison of the values and commitment of private sector, public sector, and parapublic sector employees. *Public Administration Review*, 66, 605–618. doi:10.1111/j.1540-6210.2006.00620.x
- Perry, J. L., Hondeghem, A., & Wise, L. R. (2010). Revisiting the motivational bases of public service: Twenty years of research and an agenda for the future. *Public Administration Review*, 70, 681–690. doi:10.1111/j.1540-6210.2010.02196.x
- Robertson, P. J., Wang, F., & Trivisvavet, S. (2007). Self- and collective interests in public organizations: An empirical investigation. *Public Performance & Management Review*, 31, 54–84. doi:10.2753/PMR1530-9576310103
- Thomas, W. H. N., Sorensen, K. L., & Eby, L. T. (2006). Locus of control at work: A meta- analysis. *Journal of Organizational Behavior*, 27, 1057–1087. doi:10.1002/job.416
- Wright, B. E. (2007). Public service and motivation: Does mission matter? *Public Administration Review*, 67, 54–64. doi:10.1111/j.1540-6210.2006.00696.x
- Yuan, F., & Woodman, R. W. (2010). Innovative behavior in the workplace: The role of performance and image outcome expectations. *The Academy of Management Journal*, 53, 323–342. doi:10.5465/AMJ.2010.49388995



© 2017 The Author(s). This open access article is distributed under a Creative Commons Attribution (CC-BY) 4.0 license.

You are free to:

Share — copy and redistribute the material in any medium or format

Adapt — remix, transform, and build upon the material for any purpose, even commercially.

The licensor cannot revoke these freedoms as long as you follow the license terms.

Under the following terms:

Attribution — You must give appropriate credit, provide a link to the license, and indicate if changes were made.

You may do so in any reasonable manner, but not in any way that suggests the licensor endorses you or your use.

No additional restrictions

You may not apply legal terms or technological measures that legally restrict others from doing anything the license permits.



Cogent Education (ISSN: 2331-186X) is published by Cogent OA, part of Taylor & Francis Group.

Publishing with Cogent OA ensures:

- Immediate, universal access to your article on publication
- High visibility and discoverability via the Cogent OA website as well as Taylor & Francis Online
- Download and citation statistics for your article
- Rapid online publication
- Input from, and dialog with, expert editors and editorial boards
- Retention of full copyright of your article
- Guaranteed legacy preservation of your article
- Discounts and waivers for authors in developing regions

Submit your manuscript to a Cogent OA journal at www.CogentOA.com

