Summary. Human resources have become increasingly important as they can determine the success or failure of a company. As such, managers need to pay attention to the motivation of their employees. The purpose of this paper is to determine the motivational perceptions between the Malaysian managers and their employees. The study was conducted on 104 Malaysian managers and employees from 40 companies in the manufacturing and financial service industry. The results of the study indicated there were significant differences between the perceptions of the managers and their employees on what motivated the employees. The study also found that employees were more motivated by intrinsic rather than extrinsic motivators. The theoretical and managerial implications of the results are also discussed.

Keywords: motivation, motivational perception, intrinsic motivators, extrinsic motivators, Malaysia

PERCEPCJA MOTYWACYJNA PRZEŁOŻONYCH I PODWŁADNYCH – PRZYPADEK MALEZJI

zewnętrzne motywatory. Ponadto, w opracowaniu poddano dyskusji implikacje teoretyczne i zarządcze.

Słowa kluczowe: motywacja, percepcja motywacyjna, wewnętrzne motywatory, zewnętrzne motywatory, Malezja

1. Introduction

In the past, employees were considered just another input to the production of goods and services.\(^1\) However, organizations have come to realize that in order to remain competitive, they need to pay attention to their human resources as technology and natural resources can be copied or bought by their competitors. According to the resource based view of the firm which has been gaining popularity for explaining why firms differ in performance,\(^2\) the internal resources of the firms (such as skills, financial resources, human resources and physical resources) are responsible for an organization’s competitive advantage and are the source of sustained competitive advantage.\(^3\) Human resources are the most likely source of a sustainable competitive advantage because human resources are more likely than other resources to be inimitable and nonsubstitutable, as well as valuable and rare.\(^4\) McWilliams et al.\(^5\) further add that human resources can create a competitive advantage for the firm because of the knowledge, skills and abilities that are inherent in the individuals who make up the organization, which are required to put into action the organization’s objectives and strategies.

However, for human resources to be a source of competitive advantage for the organization, they must be motivated. Employee motivation is important if the organizations were to achieve high corporate performance.\(^6\) Unmotivated employees are unlikely to expand efforts in their jobs, exit the organization if given the opportunity and produce low quality

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5 Ibidem.
work. On the other hand, motivated employees are likely to be persistent, creative and productive, turning out high quality work that they willingly take. As such, a motivated workforce is critical to an organization. Hence, the key to a motivated workforce is to know what motivates them and then designing a motivation program based on those needs. To be effective and efficient, organizations, especially their managers need to know and understand what motivates their employees within the context of the roles they perform. Management must have an understanding of human nature, the basic needs, wants and abilities of people.

This study seeks to gain a better understanding of employees’ motivation for improved performance and their effectiveness for work. Specifically, the purpose of this study is to determine what motivates employees. This understanding is important for a number of reasons. Firstly, a motivated workforce would lead to higher job satisfaction and ultimately to a more productive workforce. If the company knows what motivates an employee, then such a company would have a decided competitive advantage over competitors suffering from absenteeism, costly re-training programs and production slowdowns. Secondly, as there seems to be a relationship between motivation and job satisfaction, an organization that understands what motivates their workers should then eliminate job dissatisfaction as these companies would be able to implement the most effective motivational strategy. Finally, a study examining the importance of certain motivating factors will have direct and positive implications for both employee well-being and organizational effectiveness. A poorly devised motivation strategy has the real risk of actually reducing overall motivation, leading to behavior that can decrease productivity. By understanding motivational issues behind employees, managers can systematically develop strategies to deal with motivational problems and improving performance at the workplace.

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8 Ibidem.
9 Lindner J.R.: op.cit.
2. Research hypotheses

Motivation originates from the word “move” and therefore can be seen as an internal drive necessary to guide people’s action and behavior toward achievement of some goals.\(^\text{14}\) When an individual is motivated, he is moved to do something.\(^\text{15}\) Analoui\(^\text{16}\) suggests that motivation drives individuals to satisfy their needs since motivation is often orientated towards the satisfaction of certain needs and expectations.\(^\text{17}\) According to Brislin et al.,\(^\text{18}\) motivation deals with the basic needs that explain why people work and what makes people work harder.

Several studies have examined the perception of managers and subordinates toward motivation and job satisfaction.\(^\text{19}\) Kovach\(^\text{20}\) in his study of 1000 managers and 1000 employees found that managers and their subordinates had a different perception toward motivation. Similar results were also found by Rad and Yarmohammadian.\(^\text{21}\) In the study by Rad et al.,\(^\text{22}\) the authors collected questionnaires from 814 employees, first line, middle and senior managers at Iran. Their study showed that the senior management ranked motivators such as “good pay”, “recognition” and “promotion/growth” as most important to the employees. On the other hand, the employees listed “loyalty to employees” and “job security” as the most important motivating factor while “good pay” was only ranked as the third most important motivator factor. According to the authors, while the management thought “good pay” was the number one desire of the employees, this factor was not the most important to the employees. Hence the authors concluded that the perceptions of managers with regards to the importance of motivators for employees varied considerably from how employees viewed what motivated them.\(^\text{23}\) Kovach\(^\text{24}\) provide three reasons for these differences in motivational perception. The first reason is that managers believe that employees find an interest in money

\(^{16}\) Analoui F.: op.cit.
\(^{20}\) Kovach K.A.: op.cit.
\(^{21}\) Rad A.M.M., Yarmohammadian M.H.: op.cit.
\(^{22}\) Ibidem.
\(^{23}\) Ibidem.
\(^{24}\) Kovach K.A.: op.cit.
and basic needs socially undesirable and therefore may pay lip service to more socially acceptable factors such as interesting work or full appreciation of work done. The second reason is that it is possible that employees were better witnesses to their own feelings than were their managers. And the final reason for the disparity in motivational perception according to Kovach\textsuperscript{25} is that managers may probably chose rewards for which they were less responsible. Pay raises, for example, were usually determined by formalized organizational policies, not by the personal relationships between managers and employees. Thus, managers could “pass the buck” when it was time to assign blame for poor levels of employee motivation.\textsuperscript{26}

Based on the above studies, the first hypothesis postulated for this study is:

\textit{Hypothesis 1: Superiors and subordinates do not have the same motivational perception.}

This study also examined whether intrinsic motivating factors were more important than extrinsic motivating factors to the employees. As Ryan and Deci\textsuperscript{27} defines intrinsic motivation as “the doing of an activity for its inherent satisfactions rather than for some separable consequence”. According to them, an intrinsically motivated person is moved to act for the fun or challenge entailed rather than for the external prods, pressures, or rewards. On the other hand, extrinsic motivation pertains whenever an activity is done for the instrumental value of the activities.\textsuperscript{28} The instrumental value could be the rewards or sanctions that come with the activity. Herzberg’s motivation-hygiene theory explained that intrinsic factors are related to job satisfaction and motivation while extrinsic factors are linked to job dissatisfaction.\textsuperscript{29}

Brislin et al.\textsuperscript{30} conducted a study to examine perceptions of workplace motivation in Japan between employees and managers. Their study found that intrinsic motivators have a higher motivational value for Japanese workers than extrinsic motivators. The results provide some support for Herzberg’s two-factor model where intrinsic motivators can create high levels of motivation. In another study conducted by Analoui\textsuperscript{31} on 23 Romanian organizations, all the senior manager in the public sector reported facing difficulties such as low pay, inferior working condition, long hours, too much responsibility without power or authority and an awareness of their worth (hygiene factors). The study showed that motivators such as responsibility, nature of the job, job appreciation, recognition, and the need for achievement (psychological) were the main driving forces behind senior managers’ attitudes towards

\textsuperscript{25} Ibidem.
\textsuperscript{26} Ibidem.
\textsuperscript{27} Ryan R.M., Deci E.L.: op.cit., p. 56.
\textsuperscript{28} Ibidem.
\textsuperscript{29} Herzberg F., Mausner B., Snyderman B.: The motivation to work. Wiley, New York 1959.
\textsuperscript{31} Analoui F.: op.cit.
increased effectiveness. This study concluded that the senior managers were more intrinsically motivated.\textsuperscript{32} While there have been various studies concluding that intrinsic motivators lead to increased motivation, managers consistently perceived that employees place a greater importance on extrinsic job characteristics such as “good wages”.\textsuperscript{33} Hence, the second hypothesis would be:

\textit{Hypothesis 2: Employees are more motivated by intrinsic motivators than extrinsic motivators}

\section*{3. Methodology}

\textbf{Participants and Data Collection}

The questionnaire was sent out to 104 respondents, with 52 of them belonging to the managerial level and the remaining 52 were employees. The respondents in the managerial level consisted of general managers, functional managers and senior staffs from all functional areas in manufacturing and financial services companies located in Johore Bahru and the Klang Valley in Malaysia. Johore Bahru and the Klang Valley were chosen for this study as these locations are one of the biggest industrial areas in Malaysia. A total of 40 companies participated in the survey. The respondents consisted of Malay, Chinese and Indians managers and their employees. The respondents received and answered the questionnaires at their work place. Data were collected for approximately 2 weeks. Participation was voluntary.

The same sets of questionnaires were distributed to the managers and their subordinates. However, there were separate columns for the managers and their subordinates to state their responses. The subordinates were requested to assess the impact of the identified items on their level of motivation and there instructions detailing where they should fill their responses. Similarly, the managers were also asked to assess the items according to what they thought would affect their subordinate’s motivation. Again, instructions were available in the questionnaire to guide the managers where their responses should be stated. The cover letter briefly explained the purpose of the study. Respondents were also assured of their confidentiality. Follow–up calls were made to the managers again two weeks after the mailing of the questionnaires to remind them to complete and return the questionnaires.

\textsuperscript{32} Ibidem.

\textsuperscript{33} Huddleston P., Good L.K.: op.cit.
Development of Questionnaire

The questionnaire consisted of two parts. Section A contained items to measure extrinsic and intrinsic motivating items that motivated employees. The items were obtained from the questionnaire used in the study conducted by Brislin et al.\textsuperscript{34} Brislin et al.\textsuperscript{35} constructed the questionnaire based on Herzberg’s two-factor motivation theory. The items identified in the questionnaire consisted of 13 items to measure intrinsic motivation and extrinsic motivation. The items identified in the questionnaire consisted of 13 items to measure intrinsic motivation and extrinsic motivation. The intrinsic motivation factors included job advancement, amount of responsibility, challenging work, sense of achievement, work/job recognition and self-growth. The extrinsic motivation factors included interpersonal relationships, quality of supervision and leadership, company policy, company administration, job security, salary and working conditions. Employees were asked to assess the impact of the identified items on their level of motivation on a 6-point Likert scale where 1 = Not at all, 2 = Low, 3 = Indifferent/neutral, 4 = Medium, 5 = High, and 6 = Extremely high.

Section B consisted of questions to determine the participants’ pertinent demographic information which included age, gender, level of education, position in company (manager and non-manager) and ethnicity.

4. Results and discussion

All the questionnaires that were sent out were returned to the respondents. Of the 104 questionnaires received, 52 of the respondents were from the managers and the remaining 52 were from their subordinates. Table 1 summarizes the characteristics of the 104 respondents.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Demographics of Respondents (Managers and Employees)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Employees</strong></td>
<td><strong>Managers</strong></td>
</tr>
<tr>
<td><strong>Number</strong></td>
<td><strong>%</strong></td>
</tr>
<tr>
<td>Age</td>
<td>Below 25</td>
</tr>
<tr>
<td>15</td>
<td>28.80</td>
</tr>
<tr>
<td>32</td>
<td>61.50</td>
</tr>
<tr>
<td>5</td>
<td>9.60</td>
</tr>
<tr>
<td>0</td>
<td>0.00</td>
</tr>
</tbody>
</table>

\textsuperscript{34} Brislin R.W., MacNab B., Worthley R., Kabigting F.J., Zukis B.: op.cit.
\textsuperscript{35} Ibidem.
The reliability scores for the questionnaire items are shown in table 2. The Cronbach Alpha’s test of reliability for the items measuring intrinsic and extrinsic motivation exceeded 0.60, demonstrating an acceptable level of reliability.\textsuperscript{36}

\begin{table}
\centering
\begin{tabular}{|c|c|}
\hline
\textbf{Items} & \textbf{Cronbach Alpha} \\
\hline
Intrinsic Motivation & 0.758 \\
Extrinsic Motivation & 0.676 \\
\hline
\end{tabular}
\caption{Cronbach Alpha of Intrinsic and Extrinsic Motivational Items}
\end{table}

\textbf{Perception of Superiors and Subordinates Toward Motivation}

The first research hypothesis states that superiors and their subordinates do not have the same motivational perception. Table 3 shows that the perceptions of managers varied considerably from how employees viewed what motivated them. The total motivation mean rated by the employees was 4.41 while the total motivation mean rated by managers was 4.61. There was a significant difference between the “Total Motivation Mean” scores between the

employees and the managers at the p<0.05 level, thus supporting the hypothesis that the managers and their subordinates were different in their motivational perception.

<table>
<thead>
<tr>
<th>Respondent Group</th>
<th>Total Mean</th>
<th>SD</th>
<th>Significant Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employees</td>
<td>4.41</td>
<td>0.44</td>
<td><em>p = 0.022</em></td>
</tr>
<tr>
<td>Manager</td>
<td>4.61</td>
<td>0.42</td>
<td></td>
</tr>
</tbody>
</table>

* Significant at the p < 0.05 level

Table 4 shows the mean ratings and importance scores for the managers and their subordinates. The subordinates ranked “self-growth” (mean = 4.67), “amount of responsibility” (mean = 4.65), “work/job recognition” (mean = 4.65), “working conditions” (mean = 4.62) and “job security” (mean = 4.52) as the five most important motivating factors. The managers on the other hand ranked “salary” (mean = 4.98), “work/job recognition” (mean = 4.88), “amount of responsibility” (mean = 4.83), “sense of achievement” (mean = 4.79) and “self-growth” (mean = 4.77) as their subordinates’ top five employees motivating items.

The results from the managers who were attempting to predict the most important motivating factor for their employees fell away from their employees’ ratings. Based on the results in Table 4, the managers thought that “salary” was the number one desire of the employees. However, this factor was actually ranked fifth by the employees. The difference between the mean “salary” rating for the managers and non-managers was also significant at the p < 0.05 level. This finding was consistent with the study conducted by Wong, Siu, & Tsang who also found that the ranking of “salary” items by managers and non-managerial employees were different. The most important motivating factor for the employees in this study was “self growth”. However, this motivating factor was only ranked 5th by the managers. The employees ranked “working conditions” third while the managers ranked this factor sixth. The employees ranked “sense of achievement” fourth, “job security” fifth, “interpersonal relationship” and “salary” sixth respectively. The results of this study may provide support that people do necessarily have to fulfill lower level needs before fulfilling higher level needs. The contention by Maslow that higher order needs must be fulfilled before fulfilling higher level needs does not seem to hold for the respondents in this study.

**Table 4**

Means and Rankings for Motivating Items for Managers and Non-Managers

<table>
<thead>
<tr>
<th>Motivators</th>
<th>Mean rating and rank</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Employees</td>
<td>Managers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td>Rank</td>
<td>Mean</td>
</tr>
<tr>
<td>IM1 Job Advancement</td>
<td>4.06</td>
<td>9</td>
<td>4.56</td>
</tr>
<tr>
<td>IM2 Amount of Responsibility</td>
<td>4.65</td>
<td>2</td>
<td>4.83</td>
</tr>
<tr>
<td>IM3 Challenging Work</td>
<td>4.40</td>
<td>8</td>
<td>4.63</td>
</tr>
<tr>
<td>IM4 Sense of Achievement</td>
<td><strong>4.60</strong></td>
<td>4</td>
<td><strong>4.79</strong></td>
</tr>
<tr>
<td>IM5 Work/Job Recognition</td>
<td>4.65</td>
<td>2</td>
<td>4.88</td>
</tr>
<tr>
<td>IM6 Self-Growth</td>
<td>4.67</td>
<td>1</td>
<td>4.77</td>
</tr>
<tr>
<td>EM1 Interpersonal Relationship</td>
<td>4.48</td>
<td>6</td>
<td>4.52</td>
</tr>
<tr>
<td>EM2 Quality of Supervision and Leadership</td>
<td>4.44</td>
<td>7</td>
<td>4.62</td>
</tr>
<tr>
<td>EM3 Company Policy</td>
<td><strong>3.85</strong></td>
<td>10</td>
<td><strong>4.12</strong></td>
</tr>
<tr>
<td>EM4 Company Administration</td>
<td><strong>3.85</strong></td>
<td>10</td>
<td><strong>3.90</strong></td>
</tr>
<tr>
<td>EM5 Job Security</td>
<td>4.52</td>
<td>5</td>
<td>4.52</td>
</tr>
<tr>
<td>EM6 Salary</td>
<td><strong>4.48</strong></td>
<td>6</td>
<td><strong>4.98</strong></td>
</tr>
<tr>
<td>EM7 Working Conditions</td>
<td>4.62</td>
<td>3</td>
<td>4.69</td>
</tr>
</tbody>
</table>

* Bold numbers indicate significant differences at a .05 level of significance using an independent sample t-test.

** IM indicates Intrinsic Factors.

EM indicates Extrinsic Factors.

**Intrinsic and Extrinsic Motivators**

The second hypothesis of this study was to determine whether employees were more motivated by intrinsic motivators or extrinsic motivators. Based on the results presented in Table 5, we can see that the employees were more motivated by intrinsic motivators rather than extrinsic motivators as indicated by the higher mean score for the intrinsic factors. Hence, hypothesis 2 was supported at the p < 0.05 level. There was also a significant difference in the mean scores between the intrinsic factors and the extrinsic factors at the p < 0.05 level indicating that intrinsic and extrinsic factors significantly influence the employee’s motivation.
Table 5

Test for Intrinsic and Extrinsic Motivating Items

<table>
<thead>
<tr>
<th></th>
<th>Mean</th>
<th>SD</th>
<th>Significant Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intrinsic</td>
<td>4.63</td>
<td>0.54</td>
<td><em>p = 0.000</em></td>
</tr>
<tr>
<td>Extrinsic</td>
<td>4.40</td>
<td>0.51</td>
<td></td>
</tr>
</tbody>
</table>

* Significant at the p < 0.05 level

Based on the results in Table 4, four of the top five employee motivating items were intrinsic factors, while three of the lowest five came from extrinsic factors. The top five employee motivating items were “self-growth”, “work/job recognition”, “amount of responsibility”, “working conditions” and “sense of achievement”. The lowest five non-managers motivating items were “company policy”, “company administration”, “job advancement”, “challenging work” and “quality of supervision and leadership”. Three of the five non-managers motivating items were extrinsic factors which included factors such as “company policy”, “company administration” and “quality of supervision and leadership”. It is also clear based in the results presented in Table V that some extrinsic motivators such as “working conditions”, “interpersonal relationship”, “quality of supervision”, “job security” and “salary” were ranked higher than intrinsic motivators. While intrinsic motivators were clearly perceived by the employees as important by the Malaysian employees, some are evidently less so than others. Based on the results in Table 5, extrinsic motivators are also important in the organization’s worker motivation efforts.

5. Research implications

The findings of this study indicate that there were significant differences in the motivational perception between the managers and their subordinates. The study also showed some evidence that supports Herzberg’s two-factor theory which states that intrinsic factors are more related to motivation than extrinsic factors. The results of this study seem to indicate that managers do not really know the motivating factors of their subordinates. The results of this study suggest that organizations might be able to increase the motivation of their employees by increasing satisfaction in the employee’s personal development, improving working conditions, recognizing and acknowledging the employee’s efforts and increasing employee responsibilities at work. One of the ways organizations could increase the employee’s personnel development is by implementing promotion-from-within policies and supporting employee’s career development and career planning efforts. Changes in the
organizational benefits and employment input in determining work schedules and procedures to be to complete the work could be made in an effort to increase employee’s job satisfaction.

Another practical implication is that management should take note of the importance placed in “self growth”. This factor was ranked as the most important motivating factor by the employees. The desire to for personal development while in the company seems to be highly valued by the Malaysian employees. Providing employee development seminars, establishing skills and competency development programs that provide lifetime employability training, communicating career paths and providing training and development opportunities to the employees are possible ways to develop the employee.

The results of this study may help dispel the notion held by managers that their employees are only motivated by high wages. The findings of this study also add to the findings of practically every study for over 40 years that wages are not the most important motivating factor. This may be good news for organizations especially small organizations that may not be able to pay high salaries as compared to their larger counterparts. Organizations should also ensure that employees are recognized for their contributions and staff promotions could be linked to employee evaluations. The results of this study could be disseminated to managers so that these managers would have first-hand information on what really motivates their employees. Such information can serve as a guideline to managers regarding the perception and expectation of employees. If management understands what motivates their employees (motivators) as well as the elements that can reduce job dissatisfaction (extrinsic factors), organizations can develop and implement a balance to benefit from better worker productivity, increased morale and improved quality of life.

6. Limitations and directions for future research

This study only examined the motivator factors between the managers and employees. However, motivation is a psychological process resulting from the interaction between the individual and the environment and it would be interesting to examine the influence of cultural values, leadership behaviours and job characteristics on motivation. Previous studies have shown that there are three components to a job: complexity, the social environment and

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38 Kovach K.A.: op.cit.
the physical demands.\textsuperscript{41} It is suggested that future studies be conducted to examine the influence of the social environment and the physical demands on motivation since both these components have relatively been ignored.\textsuperscript{42}

The current study was limited to only two types of industry: manufacturing and financial service industry companies located in the Klang Valley and Johor Bahru, Malaysia. What is now needed is the inclusion of more industries to enable a comparison of motivating factors among the employees in these industries. Such information will be useful for organizations as they would be able to use this list as a benchmark for their benefits programs and to improve the working conditions. More information on the motivating factors of employees would help us to establish a greater degree of accuracy on this matter.

The main methodology used in this study was the questionnaire. Future studies may consider using a mixed-methodology of interviews and questionnaire. The reviews of Oppermann\textsuperscript{43} and Scandura and Williams\textsuperscript{44} suggested that the primary reasons for triangulation or mixed methodology are to (1) reduce researcher or data-set bias which can be introduced by using only one research method (2) add robustness and generalisability to a set of findings (higher external validity) (3) ensure that possibly important categories not detected by one method will not be excluded resulting in preconceived categories (4) mutually validate the findings of approaches by combining a range of data sources, methods or observers. Furthermore, research based on multiple methods lead to more meaningful results than that which is dependent on a single method.\textsuperscript{45} A mixed methodology might for example uncover the reasons for the rankings of the motivating factors from the perspectives of the employees and the managers.


\textsuperscript{42} Latham G.P., Pinder C.C.: op.cit.


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