

## CHAPTER 5 CONCLUSION

### 5.0 Introduction

This chapter provides a conclusion based on the findings in explaining the impact of extrinsic and intrinsic work motivation factors on job satisfaction among the employees in the Malaysian service industry. More specifically, this study identified whether or not the extrinsic motivation factors or the intrinsic motivation factors play a significant role which has an impact on job satisfaction among the employees in the service industry. This study aims for the organization to gain an insight on what can be used by its managers to improve employee motivation.

### 5.1 Discussion of the results

From the research findings, it is discovered that both extrinsic motivation and intrinsic motivation positively influence job satisfaction. However, this study also indicates that leadership does not have a moderating effect on the relationship between the independent variables and the dependent variables.

**Hypothesis 1:** Extrinsic motivation will positively influence job satisfaction.

The results of the finding indicate that extrinsic motivation does explain a significant amount of the variation on job satisfaction. That means, extrinsic motivation factors (such as promotion, bonuses and given praise) will positively influence job satisfaction in the Malaysian service industry. This finding is supported by other

researchers who found that extrinsic needs are correlated with job satisfaction (Medcof and Hausdorf, 1995; Mannheim et al., 1997; Jacob and Guarnaccia, 1997; Mannheim et al., 1997; Van den Berg and Feij, 2003).

The implication is that the employees are likely to feel more satisfied with the job if they are to be promoted, receive an increase in bonuses and always be given praise from others extrinsically.

**Hypothesis 2:** Intrinsic motivation will positively influence job satisfaction.

The results of the finding indicate that intrinsic motivation do explain a significant amount of the variation on job satisfaction. That means, intrinsic motivation factors (such as new challenges; responsibility; work interaction) will positively influence job satisfaction in the Malaysian service industry. This finding is supported by other researchers who found that intrinsic needs are correlated with job satisfaction. (Deci & Ryan, 1985; Kasser & Ryan, 1996).

The implication is that the intrinsic motivation factors such as new challenges; responsibility; work interaction are strong predictors of job satisfaction. Thus, a higher working challenge and responsibility increases the perceived job satisfaction. At the same time, since no employee can work in an organization without having the need to interact with others within the organization, work interaction among the employees also contributes to the perceived job satisfaction as it is evidenced from the research findings.

**Hypothesis3:** Leadership has a moderating effect on the relationship between extrinsic motivation and job satisfaction

Previous research (e.g. Yammarino & Bass, 1990 and Morrison, et al., 1997) found that passive leadership by exception has a negative impact on employee's job satisfaction. But there is no previous study on the moderating impact of leadership between extrinsic motivation factors and job satisfaction, especially in the service industry of Malaysia.

The findings from the study indicate that leadership does not have a moderating effect on the relationship between extrinsic motivation and job satisfaction. This finding has fulfilled the gap which is the effect of leadership as a moderating role in the relationship of extrinsic motivation and job satisfaction, especially in the Malaysian service industry.

**Hypothesis4:** Leadership has a moderating effect on the relationship between intrinsic motivation and job satisfaction.

The findings from this study indicate that leadership does not have a moderating effect on the relationship between intrinsic motivation and job satisfaction. This finding has fulfilled the gap which is the effect of leadership as a moderating role in the relationship of intrinsic motivation and job satisfaction, especially in the Malaysian service industry.

## **5.2 Managerial Implication and Suggestion.**

For an effective performance of the organization which is imminent to gaining competitive advantage, there is need for the motivating employee to be satisfied with the job so that they can be dedicated to achieving the set organizational objectives. In doing this, there is need to find out what are the extrinsic and intrinsic motivating factors for employee's job satisfaction and these vary from one organization to another. My research might be based on the effective organizational performance in the service industry in Malaysia, the employees from the service industry need to be motivated in terms of both extrinsic and intrinsic motivation factors.

The findings of this study is of immense benefits to the service organizations in Malaysia and will enable them to gain better competitive advantage to be able to compete with other organizations since the findings will assist the service organization to know the best way of satisfying the employees.

The result of this study suggests that the service organization should use extrinsic motivation (such as promotion, bonuses and given praise) to increase their job satisfaction according to their different needs. For people who are more interested in extrinsic needs, a reward system is deemed necessary to motivate employees according to their performance achievement, not only in monetary form, but also promotion or giving praise to them when they succeed as expected, it will give them more confidence to further success. Therefore, the employees are likely to feel more satisfied with the job if they are promoted, receive an increase in bonuses and always

be given praise from others extrinsically.

The result of this study suggests that the service organization should use intrinsic motivation (such as new challenges; responsibility; work interaction) For those who are more interested in intrinsic needs, allow them to be fully challenged and be responsible for their jobs as much as possible and providing them a platform to contribute their talent. Apart from that, as they value working interaction as one of the determination of job satisfaction, management could also increase the level of interaction with these employees. Casually, the management could open up more opportunities for socializing among employees, by having meals together, social gathering etc. Through these occasions, it will allow them to relax so that they can get rid of their high working stress and also give them opportunity to exchange ideas and knowledge. These occasions may help foster a better relationship between the management and its employees as well as building up loyalty among these employees. Therefore, a higher working challenge and responsibility increases the perceived job satisfaction; and more work interaction among the employees may also increases the perceived job satisfaction.

However, the result of this study indicates that leadership is not a significant factor which influences relationship between extrinsic/intrinsic motivation and job satisfaction as a moderating role in the service organization of Malaysia. There might be other factors which influence the relationship between extrinsic/intrinsic motivation and job satisfaction, such as company culture etc. Future studies may fill

this gap in the service industry of Malaysia.

Though leadership does not determine whether these employees are motivated or are satisfied, it is equally essential for managers to generate a positive perception from the employees, leaders or managers who may need to be more open and try to understand the needs of individual employees as well as supporting and helping them to perform their best. Bigliardi et al (2005) said that individuals naturally tend to perform their best when they are confident and when they are an integral part of the organization.

### **5.3 Limitation of Study**

- 1) The group of employees in question is not fairly distributed to every department of the service industry and hence it is not possible to correctly state that the research findings truly reflect the service industry as a whole in Malaysia.
- 2) Due to time constraints, the respondents for this study only choose 250 respondents, so the generalization of finding might be limited as bigger samples are more representative.
- 3) The sensitive nature of the information and responses obtained from the respondents may have an effect on the participant's responses. Participants may have been unwilling to respond to questions related to their level of satisfaction in their current position.
- 4) This study was limited to the three factors predicted to investigate for both extrinsic and intrinsic motivation; these results to the variety of motivators are limited. The future study could look into more motivators in this connection.

#### **5.4 Summary**

The purpose of this study was to investigate the relationship between extrinsic and intrinsic motivation factors and its significance on job satisfaction among the employees of the service industry in Malaysian. This study further explores the role played by leadership issues in relation to extrinsic or intrinsic motivation factors and job satisfaction. The results suggested that both extrinsic (such as promotion, bonuses and given praise) and intrinsic motivation (such as new challenges; responsibility; work interaction) factors are important to motivate employees and increase their job satisfaction. In particular, intrinsic motivation factors are more significant to affect job satisfaction compared with extrinsic motivation factors. However, the results of this study also suggested that leadership does not have a moderating effect on the relationship between extrinsic motivation or intrinsic motivation and job satisfaction.