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## Do managers and employees perceive motivating factors differently in Malaysia?

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**Abstract:** Employee motivation is crucial for sustainable growth of any organisation. Highly motivated employees contribute significantly to an organisation's bottomline and its overall productivity. It is a primary task of the managers to know the motivating factors of their employees and act accordingly so that the organisation can remain competitive in the marketplace. The main objective of the present research is to investigate the difference, if any, between the perceptions of managers and employees on a pre-determined set of motivating factors. As it has been shown, though overall, they were in agreement, but they do differ on certain fundamental issues in terms of ranking of the above-mentioned set of motivating factors. Impact of the respondents' demography on the findings, in the Malaysian context, is also highlighted. This research underscores the importance of the knowledge of employee motivating factors before developing or dealing with any motivational programme in an organisation.

**Keywords:** motivation; employees; managers; system; Malaysia.

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**1 Introduction**

The word motivation comes from the Latin word ‘*movere*’ which means to move. That is, motivation moves people from boredom to interest. Motivation is important in working environment because almost one-half of a person’s life is spent at work. So, to increase the worker productivity or quality of the work, organisation needs to provide motivation to its employees. Motivation focuses on ‘what people need in order to perform better’. However, not everybody gets motivated by the same things: where one gets motivated, obtains satisfaction, and consequently performs better by getting additional responsibility assigned, another may feel much better valued and encouraged to higher productivity if he or she is merely being listened to, or given some flexibility in his or her work schedule.

In the last 60–70 years, there had been continued researches on motivation in order to know the answer of the question ‘what factors do actually motivate employees in their workplaces?’ In the USA alone, over the last few decades, a number of surveys were conducted on employee perceptions based on ten pre-determined motivating factors. First, survey was conducted by Hersey and Blanchard (1969) in 1946. Second, survey was done by Kovach (1980) and again third survey was conducted by Kovach (1987) in 1986. Another survey was conducted by Wiley (1997) in 1992. In all these surveys, the researchers asked the respondents to rank ten motivating factors based on the factors’ appeal to them. They found ‘appreciation’ as the most important motivating factor in 1946 survey and 1980 and 1986 surveys found that ‘interesting work’ as the most important motivating factor. However, 1992 survey found ‘good wages’ as the most important motivating factor (Wiley, 1997). In Malaysia a similar survey was conducted by Islam and Ismail (2008) in 2004. They found ‘high wages (good wages)’ as the most important motivating factor. These five motivating factors surveys results are shown in Table 1.

**Table 1** A comparison of the ranks of the motivating factors for US and Malaysian employees

| <i>Motivating factor</i>                   | <i>1946<br/>USA</i> | <i>1980<br/>USA</i> | <i>1986<br/>USA</i> | <i>1992<br/>USA</i> | <i>2004<br/>Malaysia</i> |
|--|---------------------|---------------------|---------------------|---------------------|--------------------------|
| High wages                                 | 5                   | 5                   | 5                   | 1                   | 1                        |
| Good working conditions                    | 9                   | 7                   | 7                   | 7                   | 2                        |
| Promotion                                  | 7                   | 6                   | 6                   | 4                   | 3                        |
| Job security                               | 4                   | 4                   | 4                   | 3                   | 4                        |
| Interesting work                           | 6                   | 1                   | 1                   | 5                   | 5                        |
| Full appreciation of work done             | 1                   | 2                   | 2                   | 2                   | 6                        |
| Management help to solve personal problems | 3                   | 9                   | 10                  | 10                  | 10                       |

*Source:* Islam and Ismail (2008)

Evidence shows that an emphasis on seniority in the reward system is weakening (Chew, 2005). A survey conducted by Malaysian Employers Federation (Malaysian Employers Federation, 2005) indicated that 95% of companies practiced performance-based reward systems, although seniority still minimally counts to a varying degree in pay decisions. The federation also reported that annually approximately 17% Malaysian employees leave their organisations and they do not like to stay in their present workplace more than one year (Lim, 2001). The Malaysian organisations need to identify the reasons why their

employees do not want to stay for long time and what are the factors that can motivate them remaining in the current organisation (Chew, 2005). To find out the answer, this study adopts a quantitative investigation method of individual motivational perceptions on the part of employees as well as managers based on a ten pre-determined motivating factors. The main objectives of this study are following:

- to determine the importance of ten pre-determined employee motivating factors, as perceived by employees and managers in Malaysia
- to investigate the conformance or difference in perceptions between employees and managers regarding motivating factors in different organisations in Malaysia
- to investigate the difference or conformance in motivational perceptions of employees and managers according to demographic information (i.e., gender, age, education, marital status, and type of employment).

## **2 Literature review**

A modest review of the literature is conducted addressing motivation in retrospection, motivating factors, and conceptual framework of motivating factors.

### *2.1 Motivation in retrospection*

As mentioned before, the word motivation is coined from the Latin word '*movere*', which means to move. Motivation is defined as an internal drive that activates behaviour and gives a direction. Motivation theories pertain to the processes that describe why and how human behaviour is activated and directed. It is regarded as one of the most important areas of study in the field of organisational behaviour. There are two different categories of motivation theories, namely content theories, and process theories. Even though there are different motivation theories, none of them is universally accepted. The content theory (also known as need theory) of motivation mainly focuses on the internal factors that energise and direct human behaviour. Maslow's (1943) hierarchy of needs, Alderfer's (1972) ERG theory, Herzberg's et al. (1959) motivator-hygiene theory (Herzberg's dual factors theory), and McClelland's (1961) learned needs or three-needs theory are some of the major content theories. On the other hand, the process theories deal with the 'process' of motivation and are concerned with 'how' motivation occurs. Vroom's (1964) expectancy theory, Adams (1963) equity theory, and Locke's (1991) goal-setting theory are known as process theories of motivation.

Now, question is why organisation needs to motivate their employees? The answer is survival (Smith, 1994). Motivated employees are needed to sustain and improve organisation's productivity. Motivated employees help organisations survive in the long run. Motivated employees are more productive. To be effective, managers need to understand what motivates their employees within the context of the roles they perform in the organisation. For example, research suggests that as employees' income increases, money becomes less effective as a motivating factor (Kovach, 1987). Also, as employees get older, interesting work may become more effective motivating factor.

Employee motivational behaviour can be differentiated based on the three generations, namely Baby Boomer (Boomers) generation, generation X and generation Y.

Those people born between 1945 and 1964 are known as Baby Boomer (Boomers) generation (Hornblower, 1997). Employees of this generation are more loyal to their profession and they look for some degree of flexibility and autonomy in their job as well as life outside of their working environment. They do not feel that they need a leader to guide them on their job (Yu and Miler, 2005). The people born between 1965 and 1979 are called generation X (Douglas, 1991). Generation X employees seek quality of life such as leisure time with their family members and friends and therefore they seek a job which allows them to spend more time with their family and friends rather than their work (Armstrong, 2005). On the other hand, the people born between 1980 and 2000 are known as generation Y. This generation people are confident, independent and goal oriented (Meier and Crocker, 2010). As a result, they challenge their managers who can train and motive them so that their strength becomes a benefit for the whole organisation. They also believe that whatever they contribute to their organisation will have an impact in their career too (Hewitt et al., 2012).

Opinions differ and disputes are waged over the significance of the level of motivation and over the measure of its influence in human life (Viliunas, 2007). Consequently, Boudrias et al. (2009) mentioned that motivation drives the employees to do their job efficiently and see how things could be done in more innovative ways. Moreover, motivation is construed as a dynamic system, which depends on the complex relationships between various mechanisms of self-regulation. Bedny and Karwowski (2006) found five motivational stages:

- 1 pre-conscious motivational stage
- 2 goal-related motivational stage
- 3 task evaluative motivational stage
- 4 executive or process-related motivational stage
- 5 result-related motivational stage.

These stages are organised as a loop structure and in any practical situation some of these motivational stages are more important than others. However, these five motivational stages can be in agreement or in conflict with each other. These five stages and their agreement or contradictions allow one to more precisely describe and analyse motivation in the context of a particular work activity. This makes possible the formulation of practical recommendations, which facilitate positive motivation in the workplaces.

According to Burton et al. (2006), motivation is differentially related to various positive outcomes; progress toward these outcomes may be differentially related to motivation. Intrinsic motivation may be influenced by a feedback loop in the pursuit of goals, whereas identified motivation may be influenced by goal attainability or progress. They also mentioned that motivation is the continuous process which meets the individual's needs for psychological well-being, and achieving individual goals.

## *2.2 Organisational motivating factors for employees*

Lord and Farrington (2006, p.22), in their research found ( $p < 0.01$ ): "each motivating factor has the same level of importance to job satisfaction for younger knowledge workers as it does for older knowledge workers". Temnitskii (2007, p.45) mention that "examining fairness as a factor of people's motivation to work makes it necessary to

determine its independent role in shaping their sense of satisfaction with various aspects of the work, the operation of the enterprise as a whole, attitudes toward the work, and the degree of identification with the enterprise”.

According to Wiley (1997), companies would gain a competitive advantage through motivated, productive employees. As mentioned before, he surveyed ten motivating factors using ranking method and out of these ten factors, he found that five factors were most important to the employees in various organisations in the USA. These five factors are good wages, full appreciation for work done, job security, promotion and growth in the organisation, and interesting work. He also mentioned that job security is of increasing importance to employees. Employees’ reaction to the lack of job security varies. Individuals may experience severe psychological reactions to job loss and/or the threat of job loss. He also mentioned that low self-esteem, low self-confidence, social isolation, anxiety and powerlessness are examples of possible psychological reactions. Sometimes these reactions enlarge beyond actual job losers to their partners and other family members.

Buelens and Broeck (2007) performed an analysis regarding employee motivation based on the following seven motivating factors: working hours, total commitment, motivation by salary, motivation by working in a supportive environment, motivation by self-development, motivation by responsibility, work-life balance. In their research, they found that gender was a significant differentiator concerning working hours. The authors also noted that women work fewer hours than men in the office. However, they (women) work significantly more hours at home, globally enjoying less free time than men. Further, they found that there was a significant relationship between employee motivation and salary. It was also noted that older employees have stronger commitment and a lesser tendency to leave the organisation, want to work in a supportive environment, but they are less motivated by salary.

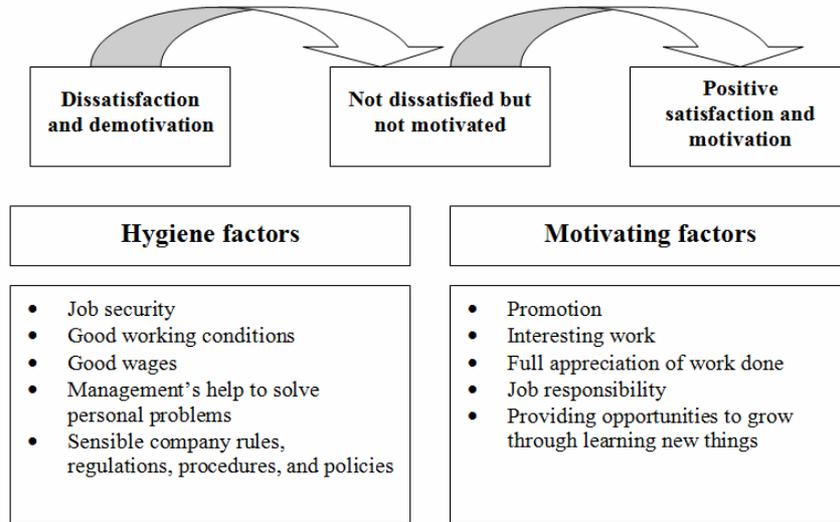
### *2.3 Conceptual framework of motivating factors*

In this study, ten motivating factors are used to note motivating perceptions of employees and managers in some selected organisations in Malaysia. These ten motivating factors are job security, promotion, good working conditions, good wages, interesting work, management’s help to solve personal problems, full appreciation of work done, sensible company rules, regulations, procedures, and policies, job responsibility, and providing opportunities to grow through learning new things. These factors are related with Herzberg’s et al. (1959) two-factor theory. His two factor theory based on hygiene factors and motivating factors are shown in Figure 1.

Herzberg has tried to modify Maslow’s need hierarchy theory. According to his theory, there are certain satisfiers and non-satisfiers in a workplace. Intrinsic factors are related to job satisfaction, while extrinsic factors are associated with dissatisfaction. He devised his theory based upon the question: ‘What do people want from their jobs?’ He asked people to describe in detail, the situations when they felt exceptionally good or exceptionally bad. From the responses that he received, he concluded that opposite of satisfaction is not dissatisfaction. Removing dissatisfying characteristics from a job does not necessarily make the job satisfying. He states that presence of certain factors in the organisation is natural and the presence of the same does not lead to motivation. However, their absence leads to demotivation. In a similar manner there are certain

factors, the absence of which causes no dissatisfaction, but their presence has motivational impacts.

**Figure 1** Herzberg's two factor theory of motivation



Source: Naylor (1999)

### **3 Methodology**

The methodology for the present research comprises the information on the research design, sampling, and measurement of research variables.

#### *3.1 Research design*

There are two types of respondents of the present study: employees and their managers. The employees were asked to rank a set of ten pre-determined factors according to their perceived effectiveness to motivate them in the workplace. Next, managers were asked to rank the same set of motivating factors for their employees, in order to identify the differences, if any, between employees and managers perception of motivation in the organisation. There are two parts of the questionnaire. First part pertains to the respondents' demographic information such as gender, age, educational level, marital status, and types of employment. The second part is based on the ten motivating factors mentioned above. These ten motivating factors are adopted from Islam and Ismail (2008), Paalanen and Hyypiä (2008), Wiley (1997), Kovach (1980, 1987), and Hersey and Blanchard (1969). All these studies only focused on employee motivating perceptions not managers' perception about their own employees except Kovach (1987). In 2004, Islam and Ismail (2008) only studied on Malaysian employees motivating perception, but they did not study the difference or conformance between employees and managers regarding motivating perception on these ten factors. Therefore, this study considers these ten pre-determined employee motivating factors to see the difference or conformance

between Malaysian employees and managers regarding their perceptions on those factors. The respondents were asked to rank the factors in terms of their effectiveness, the most effective motivating factor was assigned rank = 1, then second most effective motivator factor, rank = 2, and out of the ten motivating factors the least effective factor was assigned 10th rank.

### 3.2 *Sampling and data collection*

In this study, sample respondents were chosen from various organisations (i.e., public, private and self-employed organisation) in Malaysia. The total sample size was 130. Out of 130, 100 were employees and 30 managers. A self-administered questionnaire was distributed to the employees and managers personally and asked them to fill out the questionnaires and the researchers collected the completed questionnaires on the spot.

## 4 **Data analysis**

There are two parts in the data analysis. First part is descriptive which is based on demographic information of the respondents, while the second part is on the motivation factors ranking based on employees and managers' perspectives.

### 4.1 *Descriptive analysis*

In this study two similar surveys were conducted. One was for employees' and another was managers' survey. Employees sample size was 100 and managers' sample was 30. The study obtained the respondents' personal information including gender, age group, educational qualification, marital status, working experience in the current organisation, and monthly salary. These data have been shown in Table 2.

In the employees' survey, females were more than males. Out of 100 respondents, female respondents constituted 62%, whereas 38% were male respondents. On the other hand, out of 30 respondents for managers' survey, male managers were 21, which were 70%, whereas only nine female managers participated in this survey. In the age group, majority (23%) of the respondents' (employees') age lies between 26 and 30 years. Three age groups of employees had similar percentage: 21–25 years, 31–35 years and 36–40 years. On the other hand, the highest number of manager respondents' age group was in 36–40 years, which is 26.7%. The second highest managers' age group was 41–50 years and the lowest number of managers' age group was 20 years or below (which is only 3% of the total respondents).

In the employees' survey, most of the employees' educational level was bachelor degree. The second most education level of the respondents was certificate/diploma (30%). Further, only 10% master's degree respondents participated in this study, but unfortunately there was no respondent from PhD qualification holders. In the managers' survey, the highest number of respondents' educational background was bachelor degree (53.3%). On the other hand, master degree and certificate/diploma educational background respondents were 10%, whereas PhD and STPM respondents were only 3.3%. Table 2 also shows that 59 employees' respondents were married (59%) and 40 respondents (employees) were single, which was 40% in this survey. And, there was only 1% of widowed employee participated in the employees survey. In the managers survey,

most of the respondents were married which was 70% and 23.3% respondents were single followed by only 6.7% widowed respondents.

In the questionnaire, there were two options given to the respondents to identify their type of employment: public and private. We note that 78 employees from private companies participated in this survey, whereas only 22 employees participated from public organisations. In the managers survey, most of the respondents were working in the private organisations which was 86.7%, and 13.3% manager-respondents participated from public organisations.

**Table 2** Demographic profile of the respondents

| <i>Description</i>             | <i>Employee</i>  |                   | <i>Manager</i>   |                   |
|--------------------------------|------------------|-------------------|------------------|-------------------|
|                                | <i>Frequency</i> | <i>Percentage</i> | <i>Frequency</i> | <i>Percentage</i> |
| <i>Gender</i>                  |                  |                   |                  |                   |
| Male                           | 38               | 38.0              | 21               | 70.0              |
| Female                         | 62               | 62.0              | 9                | 30.0              |
| <i>Age group</i>               |                  |                   |                  |                   |
| 20 years or below              | 0                | 0                 | 1                | 3.3               |
| 21–25 years                    | 20               | 20.0              | 2                | 1.0               |
| 26–30 years                    | 23               | 23.0              | 5                | 16.7              |
| 31–35 years                    | 19               | 19.0              | 3                | 10.0              |
| 36–40 years                    | 20               | 20.0              | 8                | 26.7              |
| 41–50 years                    | 14               | 14.0              | 7                | 23.3              |
| Above 50 years                 | 4                | 4.0               | 3                | 10.0              |
| <i>Education qualification</i> |                  |                   |                  |                   |
| SPM                            | 19               | 19.0              | 5                | 16.7              |
| STPM                           | 5                | 5.0               | 1                | 3.3               |
| Certificate/diploma            | 30               | 30.0              | 3                | 10.0              |
| Bachelor                       | 35               | 35.0              | 16               | 53.3              |
| Master                         | 10               | 10.0              | 3                | 10.0              |
| PhD                            | 0                | 0.0               | 1                | 3.3               |
| Others                         | 1                | 1.00              | 1                | 3.3               |
| <i>Marital status</i>          |                  |                   |                  |                   |
| Single                         | 40               | 40.0              | 7                | 23.3              |
| Married                        | 59               | 59.0              | 21               | 70.0              |
| Widowed                        | 1                | 1.0               | 2                | 6.7               |
| <i>Type of employment</i>      |                  |                   |                  |                   |
| Public                         | 22               | 22.0              | 4                | 13.3              |
| Private                        | 78               | 78.0              | 26               | 86.7              |

#### *4.2 Analysing motivational perceptions of employees and managers*

As mentioned previously, in this study, employees were asked to rank the ten motivating factors which they feel very important in their workplace. On the other hand, managers

were asked to rank the same set of motivating factors which they feel most important for their employees in the workplace. That is, managers were asked to rank the factors not according to their own preference, rather what they feel about the ranks that his/her employees will assign. The most important item was to be ranked 1 and the least important factor was to be assigned the rank 10. All items had to be ranked and no rank could be used more than once. Having collected the data from 100 employees and 30 managers from various organisations in Malaysia, we ranked all the ten motivating factors based on mean values. The lowest mean value was assigned the rank 1 which indicates the most important motivating factor to the employees and the managers. On the other hand, the highest mean was assigned the rank 10 which indicates the least important among the ten motivating factors to the employees and the managers. Table 3 presents the ranking of motivating factors based on the employees' and the managers' perspectives.

Based on the employees' responses, we find that 'good working condition' has been placed at the first position among the ten motivating factors. On the other hand, managers placed 'good working condition' in the second position. Managers identified 'good wages' as the most important motivating factor (rank 1) among the ten motivating factors for their employees in the workplace, whereas employees placed the 'good wages' in the fourth position.

**Table 3** Motivating factors ranking done by employees and managers

| <i>Motivating factor</i>                                      | <i>Employee</i> |             |             | <i>Manager</i> |             |             |
|---|-----------------|-------------|-------------|----------------|-------------|-------------|
|   | <i>N</i>        | <i>Mean</i> | <i>Rank</i> | <i>N</i>       | <i>Mean</i> | <i>Rank</i> |
| Job security  | 100             | 4.2100      | 2           | 30             | 4.6000      | 4           |
| Promotion   | 100             | 6.3300      | 8           | 30             | 4.3667      | 3           |
| Good working conditions                                       | 100             | 4.1900      | 1           | 30             | 3.5667      | 2           |
| Good wages  | 100             | 4.7400      | 4           | 30             | 3.2333      | 1           |
| Interesting work  | 100             | 4.3500      | 3           | 30             | 4.8333      | 5           |
| Management's help to solve personal problems                  | 100             | 7.4200      | 10          | 30             | 8.2333      | 10          |
| Full appreciation of work done                                | 100             | 6.2000      | 7           | 30             | 6.4667      | 8           |
| Sensible company rules, regulations, procedures, and policies | 100             | 6.4900      | 9           | 30             | 7.8333      | 9           |
| Job responsibility  | 100             | 5.0500      | 5           | 30             | 5.4333      | 6           |
| Providing opportunities to grow through learning new things   | 100             | 5.8500      | 6           | 30             | 6.4333      | 7           |

Meanwhile, employees assigned second position to the 'job security' as their motivating factor, whereas managers ranked it in the fourth position. According to the independent samples test, there are four significant differences between employees and managers rankings of motivating factors. First difference is on promotion ( $p < 0.001$ ) (see Table 4). Managers' perceived importance on promotion is significantly more than employees' perception. Second difference is on good wages ( $p < 0.001$ ) which indicates managers' assigned importance on good wages is significantly more than the employees.

Third difference is on management's help to solve personal problems ( $p = 0.044$ ). The statistical test indicates employees' emphasis on 'management's help to solve personal problems' is higher than their managers do. Fourth difference is on sensible

company rules, regulations, procedures, and policies ( $p = 0.005$ ); employees feel sensible company rules, regulations, procedures, and policies more important compared to their managers' perceptions. Although 'sensible company rules, regulations, procedures, and policies' and 'management's help to solve personal problems' have significant differences based on employees and managers perceptions, but both employees and managers placed these two motivating factors in the same position among the ten motivating factors (see Table 3). Therefore, the significant difference arises due to the difference in the mean values.

**Table 4** Results of independent samples t-test between employees and managers

| <i>Motivating factors</i>                                     | <i>t-value</i> | <i>p-value</i> |
|---|----------------|----------------|
| Job security  | 0.575          | 0.568          |
| Promotion   | 3.744          | 0.000          |
| Good working conditions                                       | 1.326          | 0.190          |
| Good wages  | 3.339          | 0.001          |
| Interesting work  | 0.907          | 0.369          |
| Management's help to solve personal problems                  | 2.047          | 0.044          |
| Full appreciation of work done                                | 0.655          | 0.516          |
| Sensible company rules, regulations, procedures, and policies | 2.927          | 0.005          |
| Job responsibility  | 0.667          | 0.508          |
| Providing opportunities to grow through learning new things   | 0.991          | 0.327          |

Based on Spearman's non-parametric correlations test, we find that correlation coefficient is 0.721 between employees and managers motivating factors rankings (see Table 5), which is significant at 5% level ( $p = 0.019$ ). Therefore, although there are significant differences in some individual motivating factors as discussed above, overall, employees and managers concur in ranking of the ten motivating factors.

**Table 5** Non-parametric correlations between employee and manager motivating ranking factors

|                |          |                         | <i>Employee</i> | <i>Manager</i> |
|----------------|----------|-------------------------|-----------------|----------------|
| Spearman's rho | Employee | Correlation coefficient | 1.000           | .721(*)        |
|                |          | Sig. (two-tailed)       | .               | .019           |
|                | Manager  | Correlation coefficient | .721(*)         | 1.000          |
|                |          | Sig. (two-tailed)       | .019            | .              |

Note: \*Correlation is significant at the 0.05 level (two-tailed).

The findings show that job security is becoming more and more important to the employees. Perhaps, recession is one of the main reasons to make job security more important to the employees. Due to the recent financial crisis in Malaysia, many companies have downsized their organisations. As a result, job security becomes a major issue to the employees in their working life. On the other hand, full appreciation of work done is becoming less motivating factor to the Malaysian employees based on two surveys in 2004 and in 2011. According to Islam and Ismail (2008), Malaysian workers

are not much concerned about the appreciation of their work done compared to the other factors. This is in sharp contrast to their counterpart in the USA. All the while, ‘full appreciation of work done’ has been overwhelmingly favoured by the US employees. The main reason of this contrast is cultural differences between two these two countries. According to Hofstede (1983), Malaysia is a high power distance and high individualism country, whereas the USA is a low power distance and low individualism country. Presumably, because of this cultural difference, both countries’ employees have different perceptions on this motivating factor. Overall, it is observed that monetary incentive plays a major role in motivating Malaysian employees (Islam and Ismail, 2008). On the other hand, the US employees are relatively better paid, so they are more concerned about reward/recognition and appreciation from the management (see Table 6).

**Table 6** A comparison of the ranks of the motivating factors for US and Malaysian employees

| <i>Motivating factor</i>                   | <i>1946<br/>(USA)</i> | <i>1980<br/>(USA)</i> | <i>1986<br/>(USA)</i> | <i>1992<br/>(USA)</i> | <i>2004<br/>(Malaysia)</i> | <i>2011<br/>(Malaysia)</i> |
|--|-----------------------|-----------------------|-----------------------|-----------------------|----------------------------|----------------------------|
| High wages (good wages)                    | 5                     | 5                     | 5                     | 1                     | 1                          | 4                          |
| Good working conditions                    | 9                     | 7                     | 7                     | 7                     | 2                          | 1                          |
| Promotion                                  | 7                     | 6                     | 6                     | 4                     | 3                          | 8                          |
| Job security                               | 4                     | 4                     | 4                     | 3                     | 4                          | 2                          |
| Interesting work                           | 6                     | 1                     | 1                     | 5                     | 5                          | 3                          |
| Full appreciation of work done             | 1                     | 2                     | 2                     | 2                     | 6                          | 7                          |
| Management help to solve personal problems | 3                     | 9                     | 10                    | 10                    | 10                         | 10                         |

However, in both countries, employees are least concerned about the ‘management’s help to solve their personal problems’. This conclusion is drawn despite the fact that it was placed third position among the ten motivating factors in the 1946 survey in the USA. Over the years, the employees have been more and more concerned about other motivating factors rather than favouring management’s help to solve their personal problems (Islam and Ismail, 2008).

### *4.3 Analysis based on demographic factors*

Demographic factors of the respondents, e.g., gender, age group, education level, marital status and types of employment may affect their preference of the motivating factors (here we have used the term preferences to indicate that if the motivating factors are offered to the employees, then individually they can rank them (factors) in terms of their effectiveness to motivate them). According to Kovach (1980), individuals at different organisation levels with different earning power, may have different motivating factors. Hence, what motivates individuals at one level of the organisation may not motivate those at another level. This necessitates differentiating the ranking of the factors by income level and other demographic factors when analysing the importance placed on various factors.

After data collection on all the factors, descriptive statistics were obtained. Based on the mean value for each factor under each subgroup, the relative factor rankings were determined. This exercise reveals whether there are any significant differences in the factor means for each subgroup. We have computed ranks of the previously mentioned ten motivating factors separately based upon gender (male and female), age (20–25, 26–30, 31–35, 36–40, 41–50, and above 50 years), educational level (SPM, certificate/diploma, bachelors, masters, PhD, and others), marital status (single and married). Details are shown in Tables 7, 8, 9, 10, and 11. The tables reveal that the overall ranking of all the ten factors are ‘more or less’ corroborated by the people belonging to different levels of the demographic factors. For example, the overall rank of good working condition is 1 (employees survey) and this has been the rank for majority of the respondents across various demographic factors. The rank of ‘management’s help’, which is ten across all types of people, is exactly the same as the overall rank. Further, the overall ranks of ‘sensible company rules’ is consistently nine among the ten motivating factors. Nevertheless, absence of significant difference in preferences across various demographic factors does not mean that the people with respect to one particular demographic factor, e.g., gender, concur on the same rank for all the ten motivating factors. In fact, this is not the case. Details are discussed in the following:

*Gender:* The non-parametric rank correlation coefficients between the ranks of ten motivating factors made by male and female respondents (computed for employees and managers separately) of this survey, are 0.782 ( $p = 0.008$ ) and 0.794 ( $p = 0.006$ ), respectively. It is to be noted that male and female managers placed the ‘promotion’ in the same position (rank 3), whereas, male and female employees placed the ‘promotion’ in ranks seventh and ninth positions, respectively. Female employees placed job security in the first position, whereas male employees placed it in the fourth position. Male employees placed ‘good wages’ in the first position but female employees placed this factor in the fifth position among the ten motivating factors.

On the other hand, female managers assigned rank 1 to ‘good working condition’, whereas, male managers placed it in the second position. Male managers assigned first position to ‘good wages’, while female managers rank it fourth (see Table 7). Statistically, female managers place more importance to ‘job security’ than male managers ( $p = 0.002$ ) and they also consider ‘good working condition’ more than male managers in the workplace ( $p = 0.010$ ). On the other hand, male managers seek ‘opportunity to grow through learning new things’ more than female managers in their organisations ( $p = 0.012$ ).

It is to be noted that managers (male and female) and employees (male and female) do not differ on all the motivating factors. For example, both male managers and employees assigned ‘good wages’ rank one; on the other hand, female managers and employees assigned ranks on the same factors are 4 and 5, respectively. Similar is the observation on ‘job security’. However, on certain items (e.g., promotion), managers (male and female) and employees (both male and female) have differed.

**Table 7** Ranks of the motivating factors on the basis of gender

| <i>Motivating factor</i>                                      | <i>Employee</i> |               | <i>Manager</i> |               |
|---|-----------------|---------------|----------------|---------------|
|   | <i>Male</i>     | <i>Female</i> | <i>Male</i>    | <i>Female</i> |
| Job security  | 4               | 1             | 6              | 2             |
| Promotion   | 7               | 9             | 3              | 3             |
| Good working conditions                                       | 3               | 2             | 2              | 1             |
| Good wages  | 1               | 5             | 1              | 4             |
| Interesting work  | 2               | 3             | 4              | 5             |
| Management's help to solve personal problems                  | 10              | 10            | 10             | 10            |
| Full appreciation of work done                                | 8               | 8             | 8              | 7             |
| Sensible company rules, regulations, procedures, and policies | 9               | 7             | 9              | 8             |
| Job responsibility  | 5               | 4             | 5              | 6             |
| Providing opportunities to grow through learning new things   | 6               | 6             | 7              | 9             |

*Age group:* Data based on six age groups: 21–26, 26–30, 31–35, 36–40, 41–50, and above 50 years, were analysed. The employees aged more than 36 years identified ‘job security’ as the most effective motivating factor among the ten motivating factors. The reason might be older Malaysian employees are more concerned about their family responsibilities and other commitments and, therefore, they focus on job security rather than promotion or good wages in their workplaces. On the other hand, 26–30, 31–35, and 41–50 years old managers placed ‘good wages’ in the first position. Regarding ‘management’s help to solve personal problems’, all age groups of employees and managers placed into the similar position among the ten motivating factors (see Table 8). Based on Spearman’s tests, there were no significant differences among all the age groups of employees and managers’ surveys.

However, survey results ( $p = 0.049$ ) show that 36–40 years old managers have placed more importance on management’s help to solve personal problems compared to the 41–50 years old managers. Based on Wiley’s (1997) research, all age groups except the 55 and over age group, decided on ‘good wages’ as the first choice for the employees. However, Kovach’s (1987) research found that over 50 years old employees prefer ‘good working conditions’ rather than good wages in the working place. They prefer job security and interesting work rather than good wages. This is because they are older than other employee groups and they like to stay in the present workplace rather than moving to another organisation for good wages. Ahmad and Bakar (2003, p.118) mention that:

Malaysians have different attitudes towards organizational commitment. The older they are and the longer they stay within an organization do not imply that they will be committed towards their organization. This can be mainly attributed to the uncertain business environment in Malaysia.

**Table 8** Motivating factors ranking based on age group

| Motivating factor   | Employee    |             |             |             |             |                | Manager     |             |             |             |             |                |
|---|-------------|-------------|-------------|-------------|-------------|----------------|-------------|-------------|-------------|-------------|-------------|----------------|
|   | 21-25 years | 26-30 years | 31-35 years | 36-40 years | 41-50 years | Above 50 years | 21-25 years | 26-30 years | 31-35 years | 36-40 years | 41-50 years | Above 50 years |
| Job security  | 4           | 4           | 4           | 1           | 1           | 1              | 4           | 2           | 3           | 7           | 5           | 4              |
| Promotion   | 10          | 8           | 8           | 7           | 6           | 9              | 5           | 4           | 5           | 5           | 2           | 5              |
| Good working conditions                                       | 1           | 5           | 1           | 2           | 5           | 3              | 1           | 5           | 2           | 1           | 3           | 3              |
| Good wages  | 5           | 2           | 2           | 4           | 2           | 7              | 2           | 1           | 1           | 2           | 1           | 2              |
| Interesting work  | 2           | 1           | 3           | 3           | 3           | 2              | 3           | 6           | 9           | 3           | 4           | 1              |
| Management's help to solve personal problems                  | 9           | 10          | 10          | 10          | 10          | 10             | 10          | 10          | 10          | 9           | 10          | 7              |
| Full appreciation of work done                                | 7           | 7           | 9           | 8           | 8           | 5              | 7           | 7           | 6           | 8           | 7           | 8              |
| Sensible company rules, regulations, procedures, and policies | 8           | 9           | 7           | 9           | 7           | 6              | 9           | 8           | 7           | 10          | 9           | 10             |
| Job responsibility  | 3           | 3           | 6           | 5           | 4           | 4              | 6           | 3           | 8           | 4           | 6           | 6              |
| Providing opportunities to grow through learning new things   | 6           | 6           | 5           | 6           | 9           | 8              | 8           | 9           | 4           | 6           | 8           | 9              |

*Educational level:* Four educational levels of the respondents are considered for ranking of the ten motivating factors. These four educational levels are SPM, certificate/diploma, bachelor degree, and master degree. Three educational levels (certificate/diploma, bachelor degree, and master degree) of respondents (managers) placed good wages in the first position among the ten motivating factors. In fact, the respondents having these three educational backgrounds placed most of the motivating factors at the same position. On the other hand, different educational levels of employees rank the motivating factors in different ways. For example, employees having master's educational background placed good wages in the first position, whereas, other three educational background (SPM, certificate/diploma, and bachelor degree) employees placed it second, third, and fifth position, respectively (see Table 9). In Malaysia, employees who possess higher academic qualifications such as master's degree, seek higher salaried job besides good working conditions. They prefer good wages and good working condition because they are in better positions compared to other qualifications (SPM, certificate/diploma, and bachelor degree) holders. On the other hand, those employees are having lower academic qualification (i.e., SPM), look for job security more than other factors such as good working condition or promotion. The reason could be their academic knowledge and job experiences are not same as master's degree holders, therefore, they like to focus on job security rather than seeking for good working condition or promotion.

**Table 9** Ranking of motivating factors based on educational qualifications

| Motivating factor   | Employee |             |          |        | Manager |             |          |        |
|---|----------|-------------|----------|--------|---------|-------------|----------|--------|
|   | SPM      | Certificate | Bachelor | Master | SPM     | Certificate | Bachelor | Master |
| Job security  | 1        | 2           | 3        | 3      | 3       | 2           | 6        | 4      |
| Promotion   | 8        | 9           | 8        | 6      | 4       | 3           | 4        | 5      |
| Good working conditions                                       | 5        | 1           | 2        | 2      | 1       | 4           | 2        | 2      |
| Good wages  | 2        | 3           | 5        | 1      | 5       | 1           | 1        | 1      |
| Interesting work  | 3        | 4           | 1        | 4      | 3       | 9           | 3        | 6      |
| Management's help to solve personal problems                  | 10       | 10          | 10       | 10     | 8       | 8           | 10       | 10     |
| Full appreciation of work done                                | 7        | 7           | 7        | 8      | 7       | 7           | 7        | 7      |
| Sensible company rules, regulations, procedures, and policies | 9        | 8           | 99       |        | 9       | 10          | 9        | 9      |
| Job responsibility  | 4        | 6           | 4        | 7      | 6       | 6           | 5        | 8      |
| Providing opportunities to grow through learning new things   | 6        | 5           | 6        | 5      | 10      | 5           | 8        | 3      |

It is also noted that respondents of all educational levels (both employees and managers) identified two motivating factors in the same position. These two factors are 'management's help to solve personal problems' and 'full appreciation of work done'. They placed these two motivating factors at the tenth and seventh positions, respectively. According to Islam and Ismail (2008), professionals, bachelors, and masters holder employees' first preferences is 'high wages', whereas certificate holder employees placed it in the third position behind the 'good working conditions' and 'promotion'.

*Marital status:* Three marital status options were provided in the survey questionnaire, but we did not consider widowed status in the ranking exercise due to insufficient number of respondents. We only considered single and married respondents to rank the ten motivating factors (see Table 10).

Both single and married managers ranked the good wages in the first place, whereas, single employees placed it in the fourth position and married employees placed it in the third position. However, single and married employees identified most effective motivating factor (rank 1 out of 10 motivating factors) differently. Single employees placed good working condition in the first position, whereas, married employees placed it in the second position, and married employees assigned rank 1 to the job security. Regarding 'sensible company rules, regulations, procedures, and policies' and 'management's help to solve personal problems' all the respondents (employees and managers) ranked same. They assigned ninth position to the 'sensible company rules, regulations, procedures, and policies' and tenth position to the 'management's help to solve personal problems'. The correlation coefficients between the two sets of rankings made by single and married people are 0.972 (for employees) and 0.891 (for managers). The p-values for these two correlations are 0.001 and 0.019, respectively. Therefore, we conclude that there is no significant difference between single and married respondents while ranking the motivating factors. However, Islam and Ismail's (2008) research found

that married and single people have significant difference in ‘promotion’. Their research also found that married people (employees) prefer ‘promotion’ more than unmarried people (employees) in the working place.

**Table 10** Ranking of motivating factors based on marital status

| <i>Motivating factor</i>                                      | <i>Employee</i> |                | <i>Manager</i> |                |
|---|-----------------|----------------|----------------|----------------|
|   | <i>Single</i>   | <i>Married</i> | <i>Single</i>  | <i>Married</i> |
| Job security  | 3               | 1              | 6              | 4              |
| Promotion   | 8               | 8              | 4              | 3              |
| Good working conditions                                       | 1               | 2              | 3              | 2              |
| Good wages  | 4               | 3              | 1              | 1              |
| Interesting work  | 2               | 4              | 2              | 5              |
| Management’s help to solve personal problems                  | 10              | 10             | 10             | 10             |
| Full appreciation of work done                                | 6               | 7              | 7              | 8              |
| Sensible company rules, regulations, procedures, and policies | 9               | 9              | 9              | 9              |
| Job responsibility  | 5               | 5              | 5              | 6              |
| Providing opportunities to grow through learning new things   | 7               | 6              | 8              | 7              |

*Types of employment:* Two types of employment options were provided in the questionnaire: public and private. Based on these two types of respondents (public and private), we generated ranking of the ten motivating factors (see Table 11). Private organisation’s employees ranked good working condition at the first position, whereas, public organisation’s employees ranked it in the fifth position. Public employees placed interesting work in the first position, whereas private organisation employees placed in the third position.

**Table 11** Ranking of motivating factors based on employment type

| <i>Motivating factor</i>                                      | <i>Employee</i> |                | <i>Manager</i> |                |
|---|-----------------|----------------|----------------|----------------|
|   | <i>Public</i>   | <i>Private</i> | <i>Public</i>  | <i>Private</i> |
| Job security  | 3               | 2              | 3              | 4              |
| Promotion   | 8               | 8              | 4              | 3              |
| Good working conditions                                       | 5               | 1              | 2              | 2              |
| Good wages  | 2               | 4              | 1              | 1              |
| Interesting work  | 1               | 3              | 8              | 5              |
| Management’s help to solve personal problems                  | 10              | 10             | 10             | 10             |
| Full appreciation of work done                                | 7               | 7              | 6              | 7              |
| Sensible company rules, regulations, procedures, and policies | 9               | 9              | 9              | 9              |
| Job responsibility  | 4               | 5              | 7              | 6              |
| Providing opportunities to grow through learning new things   | 6               | 6              | 5              | 8              |

It is noted that public and private organisation's managers placed good wages at the first position considering all the ten motivating factors. Based on the Spearman's non-parametric correlation tests, we find that the correlation coefficients are 0.842 ( $p = 0.002$ ) for the employees (public and private) and 0.867 ( $p = 0.001$ ) for the managers (public and private). These results show that there are no significant differences in ranking made by public and private organisations' respondents (both employees and managers).

## **5 Discussion and conclusions**

In this study, employee respondents' top five motivating factors are:

- 1 good working conditions
- 2 job security
- 3 interesting work
- 4 good wages
- 5 job responsibility.

Out of these top five factors, interesting work and job responsibility are the intrinsic factors which are identified by the employees' respondents. On the other hand, managers ranked top five motivating factors are:

- 1 good wages
- 2 good working conditions
- 3 promotion
- 4 job security
- 5 interesting work.

Note that managers considered promotion in the top five factors for their employees motivation, whereas, employees did not consider it among the top five factors. Managers assigned good wages as their employees' motivating factor in the number one position among the top five motivating factors, whereas, employees placed it in the fourth position. To minimise the differences of motivational perceptions between employees and managers, Wiley (1997) suggested that managers must understand what motivates to their employees in the workplace. Such an understanding is essential to improving productivity and ultimately, to ensuring the success of the company. He also suggested that if managers adequately and regularly administer such surveys, and appropriately consider the results, companies and employees alike would gain a great deal. Perhaps companies would gain a competitive advantage through motivated, productive employees and the employees would gain the work-related rewards they value.

According to Maslow's (1943) motivation theory, primary level needs of employees (such as physiological, safety) have to be satisfied before the next level needs are addressed. Based on the present findings, employees prefer 'good working conditions', 'job security', and 'interesting work' which indicate that the employees are seeking for the lower levels needs fulfilment rather than higher levels needs (esteem and

self-actualisation). On the other hand, managers considered higher level needs for their employees' motivation.

It has been observed that most of the subgroups are not significantly different in their opinions on the motivating factors. Nevertheless, some subgroups still exist that have shown some differences between employees and managers. Therefore, further research should be carried out to gain continuous view of what motivates employees to do their work better. The ability to motivate subordinates is critical to every manager's job. Demographic changes in the workplace, as well as technological advancements and globalisation, only accentuate the need to continue to determine what motivates employees to perform well. A motivated workforce can make substantial contribution to the profits of a firm. Kovach (1987) suggested that management must understand what motivates employees within the context of the roles they perform. Such an understanding is absolutely crucial to improve productivity and ultimately to the health of our industry and our nation as a whole. He also mentioned that survey researches might not solve all the motivational problems in the organisation. However, if the companies periodically administer them and take the findings seriously and incorporating them whenever possible in orchestrating the reward system, employees, supervisors, the company, and the country will stand to gain a great deal.

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