CHAPTER – II
LITERATURE REVIEW

The first chapter covered an introductory part of the thesis. It talked about basic Herzberg theory and its significance in detail. The purpose and objectives of the study were also discussed. The geographical background and definitions linked with the thesis were provided as well. This chapter provides a theoretical background of the present research.

Introduction

The employee motivation is usually linked with performance, commitment, association with organization, their role as a leader or supporter and expected cooperation. Employees are motivated if they feel that their efforts are likely to bring desired outcomes. Motivated employees take actions to achieve their clearly defined goals.

The only way to infer motivational processes is to analyze streams of behavior caused by environmental or inherited factors which can be observed through their effects on abilities, beliefs, knowledge and personality (Kanfer, 1990). Pinder (1998) stated that motivation is presented as a hypothetical construct which cannot be measured or seen directly but it is treated as an existing psychological process. Motivation is not a measurable phenomenon; still employee motivation can be experienced in terms of job satisfaction or dissatisfaction.

Motivation-Hygiene Profiles by Herzberg

Frederick Herzberg (1959) is the first researcher whose systematic study led to identify employee motivating factors. Herzberg with his colleagues Bernard Mausner and Barbara Snyderman conducted a study on accountants and engineers in Pittsburg, PA area. The result of this study provided a basis for what is referred to as “Herzberg’s Two Factor Theory” of motivation. This theory is also recognized as job attitude theory. The study depicted that job satisfaction and dissatisfaction are not contradictory terms (Herzberg, 1968). Opposite to job satisfaction is no job satisfaction as well as opposite to job dissatisfaction is no job satisfaction.

According to Frederick Herzberg, there are two sets of needs. There is built in drive to avoid pain from environment and basic biological drive which necessitates earning money i.e. money becomes a specific drive. Another set includes ability to achieve and, through achievement, to experience psychological growth. The growth in case of employee in the organization is related to job content. Again the stimuli inducing pain avoidance behavior is found in job environment.
Growth or Motivators that are intrinsic to the job are achievement, recognition for achievement, responsibility and growth or advancement.

Pain avoidance or dissatisfier or hygiene factors that are extrinsic to job are company policy and administration, supervision, interpersonal relationship, working conditions, salary status and security. What makes them different from motivators is the fact that they are not related to the content of the work but to the context of the job itself. (Herzberg, 1974).
Figure No. 2.1: Herzberg Theory: Factors affecting job attitude  

In Herzberg’s research the most frequently chosen factors which led to satisfaction were achievement and recognition, while the most frequently chosen factors which led to dissatisfaction were company policy and administration and good relations with the supervisor. His study illustrates that the motivators are primary cause of satisfaction and hygiene factors are primary cause of dissatisfaction. It is also important to note that the very nature of the motivators as opposed to hygiene factors is that they have a much long term effect on employee’s attitude. (Herzberg, 1987).

The job enrichment can be one of the ways to keep employee motivated. Job enrichment provides the opportunity for employees’ psychological growth. The theory also suggests that work ought to be enriched in order to bring about effective utilization of personnel. In 1974 in his article Herzberg further discussed about the organizational profiles in the context of motivation hygiene theory.
The normal pattern in the figure 2 above is the normal or classic profile of organization. The disturbance in the pattern i.e. shifting of factors from hygiene to motivators and vice versa results into different organization profiles which pose challenge for the organization. Frederick Herzberg, F. (1974). Motivation-hygiene profiles: Pinpointing what ails the organization. *Organizational Dynamics*, 3(2), 18-29. 

Figure No. 2.2: Classic Profile of Organization
Herzberg (1974) has described six organizational profiles representing difficulties to be faced by organization. Out of six, four profiles are due to hygiene factors and two are due to motivators.

**Profile 1: Mismanagement single hygiene factors**
Mismanagement is also one of the factors that creates pain among the employees. Corrective action is expected from management to recover the situation.

Profile 2: Hygiene crises - Continuous negligence towards hygiene factors

In this profile, the negligence from the supervision (one of the hygiene factors) point of view is beyond the tolerance level which reflects into severe problem for the organization. Employees become sensitive for their concern ‘the hygiene factor’.
Figure No. 2.4: Profile of Hygiene Crises


Profile 3: Situation after taking corrective action

The motivation hygiene profile takes a different look whereby, a particular hygiene factor becomes source of job satisfaction for the employees. The profile may return to normal if inversion subsides otherwise inversion get stabilize. Then employees start working for the concern extrinsic factor.
Figure No. 2.5: Profile of Hygiene Crises

Profile 4: Hygiene shock
In this case major displacement in motivators and hygiene factors is observed. It results into psychological turmoil. Such situation expects honest response from management and it demands for good leadership. In the absence of this, the organization survival may get hampered.
Profile 5: Assembly line profile

This represents the organization where there is availability of ample jobs but limited potential. In such situation only two motivators find their place viz achievement and recognition. In this situation, hygiene factors retain their position or may be with one or two inversion.
Profile 6: Ability without opportunity
Here inversion of one or two motivators is observed. It is an indication that organization is underutilizing the available talent pool. Job enrichment plays an important role in this profile.
Figure No. 2.8: Profile of Hygiene Crises


The understanding of these profiles guides the organizations to handle the problematic situation. Herzberg goes beyond the formation of motivation-hygiene theory with employee motivation perspective by adding various organization profiles.

As motivation of employee is an imperative topic, every research in this context is studied and evaluated by other researchers in the similar field. Each theory of motivation has its pros and cons. Frederick Herzberg theory is also tested and criticized by many researchers. The qualitative review of controversies raised on Frederick Herzberg’s theory is carried out by Malik, M. E., & Basharat, N. (2013). Their review shows that in spite of motivation-hygiene theory having both positive and negative opinions, it is widely accepted and it remains the topic of researcher’s interest.

There was a variation in methods of data gathering, collecting responses, and analysis. Some of the researchers were in agreement with Herzberg's finding others were partially or totally in disagreement with his results. Some of the issues linked with the theories are inconsistency in categorizing the factors, disregarding individual biases, contribution of intrinsic job factors in both job satisfaction and dissatisfaction and importance of job factors as per the employee level etc.

Gardner, G. (1977) has discussed various aspects of validity of Hertzberg’s two factor theory. According to him, the first part of theory talks about differentiation between motivators and hygiene factors. As a result of this division, Herzberg (1987) stated that, opposite to job satisfaction it is not job dissatisfaction and vice-versa. But it has been observed that some motivators contribute to dissatisfaction while some hygiene factors contribute to satisfaction. The distinct responses are attributed to sampling errors which lead to rejection of inconsistent data for validating the theory. In case of comparison between motivators and hygiene factors, it is understood that motivators lead to more satisfaction than dissatisfaction and hygiene factors lead to more dissatisfaction than satisfaction. Then one cannot claim that satisfaction and dissatisfaction are separate dimensions.

Secondly, by paying greater attention to motivators (intrinsic job satisfaction or higher order needs) will increase satisfaction but will not affect any dissatisfaction with the job; or, alternatively, improving motivators will improve organizational efficiency i.e. improved
performance. Similarly paying more attention to hygiene factors (extrinsic job satisfaction or lower order needs) will decrease dissatisfaction but will not increase overall satisfaction; or alternatively, there will be no improvement in performance i.e. improvement in hygiene factor may cost more to organization. It indicates that, increase of satisfaction or decrease of dissatisfaction both are theoretically trivial extensions of what is stated in part one of this theory. Then if the first part is not proved, it is applicable to the second part also. So then question arises whether applicability of each part needs to be considered separately.

Gardner conducted interview of 104 bus drivers and conductors. After preliminary questions they were first asked what they liked about their jobs and then what they disliked. Such questions were associated with ‘anything else?’ (In case any, if respondents wanted to add anything). This style was similar to Herzberg’s style, except that there was only one interview with each subject and the questions were related to present feelings rather than past events. His analysis led to a conclusion that the overall analysis provided support to Herzberg’s finding but individual analysis was proved for motivators only. It means that in the case of individual responses for motivators and hygiene factors, the probability of getting favourable responses are very rare. French, E.B et al. (1973) followed the same technique to check method dependency of Herzberg research. From the population of 212 system analyst and system engineers; 25 representative samples were selected. The authors used written questionnaire instead of conducting interviews. All other analysis techniques (data reduction, interpretation etc.) remained the same. It was predicted that the response pattern will remain same when these variables were held constant. A written version of the patterned interview was also used to collect desired subject response data. The Z test analysis of the oral interview data indicated that only achievement, work itself, responsibility, and company policy and administration obtained significant differentiation in factor frequency between high and low sequences. Again achievement, work itself, and responsibility were identified as motivators and company policy and administration was a hygiene factor. The Z test analysis of the questionnaire data indicated that seven of twelve factors differentiated significantly in frequency between high and low sequences. Identified Motivators were achievement, recognition, work itself, responsibility, interpersonal relations—peers, and interpersonal relations—superior and once again, company policy and administration was the
only significant hygiene factor. Possibility of growth, working conditions, advancement, supervision-technical, and job security were insignificant factors in both the types of analysis. Based on secondary data, House & Wigdor (1971) took review of the evidences and criticism associated with Herzberg theory. Their study did not support dual nature of the factors linked with employee motivation. According to them, the factors related to job satisfaction or dissatisfaction varies from person to person. It may be dependent on age, sex education, culture, and occupation level etc. Another finding was that in the given sample same factors may cause job satisfaction or dissatisfaction and also intrinsic motivating factors are important for both satisfying and dissatisfying job events. Winslow, E. K., & Whitsett, D. A. (1968), showed concern about these findings. It was pointed out that there is statistical error while considering ranking frequencies which was obtained from unequal N’s (no. of respondents). If we try to obtain ranking of frequencies with equal N’s it shows similar results as stated in Herzberg’s theory. Dunnette et. al. (1967) stated that the Herzberg theory is oversimplification of relationship between motivators and hygiene factors, which was supported by House and Wigdor (1971) in their review. An empirical testing of motivation-hygiene theory (Brenner, V.C., Clude W., Carmack F. & Mark G., 1971) shows that Herzberg’s results may vary with the techniques used for data collection. The respondents for study were certified public accountants and out of 246 responses 178 were usable responses which were used for the study. The questionnaire method was used for collecting data. The study analyzed the correlation between overall job satisfaction as a dependent variable in case of motivators and hygiene factors. Further it was indicated that job satisfaction is mainly experienced through motivators compared to hygiene factors, supports Herzberg theory. Farr, R. M. (1977) justified how Herzberg’s findings were method specific. He used Heiderian frame work for identification of attributional errors and artifacts. In case of dual factor theory, for examining attitude and motivation to work, it is necessary to consider the attribution biases. As the theory is linked to real world, these biases increased as it is related with the aspects of physical and social environment. Hence according to researcher, there is a need for sophistication of methodology to reduce errors and biases. An integrative literature review was carried out by Stello C. M. (2011). He reviewed 67 articles to check the relevance of the theory taking into account the context in which theory was developed,
the methodology used and the changed dynamics of workforce. The study was conducted on the basis of –

- Study questioning : - the criticizing core assumption
- Study criticizing : - the findings
- Study supporting : - two factor theory
- Practical application of Herzberg Theory

Researcher stated that ‘two factor theory’ was never validated or invalidated. The research which used methodology similar to Herzberg study upholds the theory while different methodologies did not support the theory. Practical application of the theory varies with employee’s perception about job satisfaction. Herzberg’s work added valuable contribution to human resource development for identifying the factors which influences employee satisfaction.

Tietjen, M.A., & Myers, R. M. (1998) reviewed Locke’s critics about Herzberg’s theory. Their discussion pointed out that both the theories are complementary to each other. More detailed consideration is given by Locke for Motivators and Hygiene factors. FAE (Factor- Attitude-Effect) effect is extended with respect to personal values that individual posse. It is necessary to consider values along with attitude. Both theories agree that work itself is an important factor for job satisfaction. Sachau, D. (2007) in his article explained that the motivation-hygiene theory is best understood as a general framework for understanding the dual nature of satisfaction/dissatisfaction, happiness/unhappiness, intrinsic/extrinsic motivation, mastery/status, and psychological growth/ psychological pain avoidance. It also correlates the development of positive psychology and Herzberg’s model by highlighting the fact that money is not the only motivator which is true in current business scenario. Motivator-Hygiene theory stated two sets of responses. One set is about when respondents felt good about their job. The second set deals with situations when the respondents felt bad about their job. Recognition, Achievement, and Work itself were some of the components of good feeling about the job whereas Company Policy, Interpersonal relationship with peers and supervisor were the main components of bad feeling about the job. But Pay appeared in both the cases i.e. good or bad feeling. Evan M.G. (1970) identified two problems related to this theory. The first problem was, if recognition is one of the Motivators and interpersonal relationship- supervisor/peers was in the list of Hygiene factors, then it is contradictory as recognition comes from relationship and trust. Also advancement and
responsibility were associated with company policies and administration which was one of the components of job dissatisfiers. The next aspect is about Pay. When Pay appears along with good feeling about job, it was associated with advancement and work itself. In case of its association with bad feeling regarding job it was associated with company policies and administration. Still Herzberg (1968) considered Pay as one of the hygiene factors i.e. he underestimated importance of pay and same was the case of interpersonal relationship. Another serious objection was about methodology. The interviewer/respondents tend to give responses on the basis of status of their self esteem. Different patterns of responses may be observed from employees with low and high self esteem. Evan M.G. (1970) further stated that Herzberg theory should be tested on the basis of following table.

<table>
<thead>
<tr>
<th>Description</th>
<th>High Sequences</th>
<th>Low Sequences</th>
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<tbody>
<tr>
<td>High Self Esteem</td>
<td>Mention (Motivators and Hygiene Factors)</td>
<td>Mention (Motivators and Hygiene Factors)</td>
</tr>
<tr>
<td>Individual</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Low Self Esteem</td>
<td>Mention (Motivators only)</td>
<td>Mention (Hygiene Factors only)</td>
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<tr>
<td>Individual</td>
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Table No2.1: Testing Table for Frederick Herzberg Theory


In addition, Herzberg theory gives more importance to work content as it motivates the employee, which is crucial aspect of any organization. Herzberg emphasized the concept called ‘Job Enrichment’ for enhancement of employee motivation. The analysis of Job enrichment has raised some very significant but badly neglected points that need emphasized (Reif, W. E., & Luthans, F., 1972). The analysis carried out by both of them led to a conclusion that, not all the employees motivated by job content, job design or job enrichment but the motivation of such employees was influenced by social interactions with the primary group members. There may be a possibility of having negative impact of job enrichment program on some employees who are comfortable with low level competency, security and dependency. So it is necessary that the job
enrichment program should be implemented cautiously in organization where there is supportive environment for innovation and change for a better job satisfaction. The reality about Job enrichment was discussed by Sirota D. (1973) through his experimental study. He mentioned that Job enrichment is very useful for the manager. The study shows that by identifying or diagnosing the problem in the organization and then carrying out job enrichment training program (if required), it is possible to enhance productivity of the organization. In order to get expected results from job enrichment initiative, it is necessary to ensure the applicability for which it is designed. The project based on secondary data by Noell, N. H. (1976) examined the applicability of dual factor theory. It is proved that carefully crafted and well planned job enrichment program increases productivity. He considered the report of Ogden Air Logistics Centre’s orthodox job enrichment program carried out in defense department. The outcome of the program indicated that appropriate application of motivation hygiene theory improves management strategy to increase productivity and saving. Wright W. et. al. (2003) explained applicability of dual factor theory at workplace and its association with leadership and organizational theory. He stated that environmental factors should not cause discomfort at workplace for keeping employee motivated. The employee can be motivated with due consideration of factors like reward, sense of responsibility, authority and giving direct and indirect feedback. It is possible to enrich the job by crafting opportunities for individual achievement and recognition which leads to growth of individual. Further authors added that, “Herzberg proved that the secret of successful organization lies in job design.”

Fifty years after the commencement of Herzberg theory, Nigel, B., & Lloyd, G. C. (2005) checked relevance of this theory with the help of Suggestion Scheme. Thirty two members of UK Association of Suggestion Scheme were selected for the study. A stratified random sampling technique was used in such way that representations from the seven sectors ensure justification for dual factor theory. The research was based on the idea of examining what motivates the people to contribute the idea within the context of work based suggestion scheme. The survey method was used for data collection by focusing on behavioural observation. The finding indicative that motivators associated with intrinsic factors compensate movers (hygiene factors) that are linked with financial rewards and observing other benefits from recognition and extrinsic rewards. The researcher closely followed Herzberg approach for the study and study shows
strong resemblance with Herzberg two factor theories. Loiseau, J. W. (2011) reviewed Herzberg theory. He commented that employee must be motivated to experience the job satisfaction but unacceptable working conditions result in lack of satisfaction. Herzberg’s findings are extremely influential in development associated with the field of job design and method of management to provide job satisfaction and motivation.

**Criticism of Motivator-Hygiene Theory**

In-depth discussion about criticism of Motivation-Hygiene was carried out by Winslow, E. K., & Whitsett, D. A. (1967). The researchers referred to various studies to prove superiority of Frederick Herzberg’s dual factor theory of motivation. Both the authors have also pointed out the flaws reflected in the other studies. According to them, it is very important to note that the factors which were identified in this theory are from the real description of the job situation not as a checklist. The theory provided a new way for looking at job attitudes. The factors related to job attitudes are identified and investigation of the effects on these attitudes is also studied in the given study. It is to be noted that meaningful completion of task leads to psychological growth. Only intrinsic aspect of the job (motivators) influences this need. These factors are associated with job content. But these factors are not able to relive pain. A different and independent group of factors contributes to these needs. These factors are extrinsic in nature and associated with job context. Motivators operate in the band which runs from no satisfaction to satisfaction whereas hygiene factors operate in the band which runs from dissatisfaction to no dissatisfaction.

Winslow and Whitsett discussed critical of the M-H theory on the basis of following points.

- Misinterpretation of Dual factor theory
- Methodological Weakness
- Misinterpretation of results of Dual factor theory

The misinterpretation is M-H theory is related to overall job satisfaction. Ewen, Smith, Hulin & Locke (1966) studied linkage of M-H theory and overall job satisfaction. The study was carried out under the assumption that hygiene factors do not contributes to the overall job satisfaction. Herzberg’s theory indentified two separate sets of factors for understanding employee motivation. The theory never talked about overall job satisfaction. It is indicative that job attitudes must look separately for motivators and hygiene factors. Ewen et. al. (1966) used term
‘neutral’ which has not at all appeared in M-H theory. As motivators are related with job satisfaction, then they are either associated with more satisfaction or less satisfaction. Similarly in case of hygiene factors, they are either associated with more dissatisfaction or less dissatisfaction. Hence there is no existence of the term called ‘neutral. Authors also reduced dimension of M-H theory by keeping either of the factors constant in their study, it gives unidimensional look to M-H theory which is not the case.

Ewen et. al. (1966) used item scale (consisting of six faces – large smile to frown smile). The scale was not validated and other similar scales when used, showed discrimination and convergent validity. It is because the score of the one-item is used as the only criteria for measuring the entire study. Instead using JDI (Job description Index) scale is not the right choice as it only allowed the researcher to use three factors out of sixteen factors mentioned in M-H theory. It was accounted for 20% variance in overall job satisfaction measure (Graen, 1966). Still 3 out of 8 results supported dual factor theory.

In the case of study carried out by Malinovsky & Barry (1965), using factor analysis of job attitude survey of 117 blue collar workers, shows that both motivators and hygiene factors positively correlated with the overall job satisfaction. Werminment (1966) used forced choice method. He found out the correlation between overall present job satisfaction and present feeling about the job. Since both studies talked about overall satisfaction (which is not part of M-H theory), these studies can’t be considered for judging methodological weakness connected with M-H theory. Dunnet (1965) used twelve factors out sixteen factors of M-H theory. The analysis of 36 pairs of statements made up of satisfying and dissatisfying situation about the job and ranking the statements on seven points scale was carried out. It was observed that mean for motivators was more in satisfying situations and mean for hygiene factors was more in dissatisfying situations. Ranking resulted into showing importance of motivators over hygiene factors. Friedlander (1963-66) carried out four studies on the similar line of M-H theory. In 1963, he identified 3 factors – Socio technical environment, intrinsic self–actualization, and recognition through advancement. The first factor was related to hygiene factor and the remaining two factors were related to motivators. He carried out factor analysis of questionnaire survey conducted for 9000 employee from manufacturing companies. In 1965 again, analysis of the responses given by 1935 government employees was carried out. The study showed that one
set of factors supported dissatisfaction and the other set of factors supported satisfaction. His research investigated the relationship between motivation and performance. Graen (1966) tried to develop psychometric measures of motivators and hygiene factors by using factor analysis. The respondents (158 engineers) were asked to rate importance of each item. On the basis of M-H theory 96-items questionnaire was prepared. No algebraic sign was used in the scale distribution. The analysis resulted into showing homogeneity of importance of items instead of content of item. So again this study lost its relevance with M-H theory. Lindsey (1965) judged variance in overall job satisfaction contributed by motivators and hygiene factors taken together and then considering both the variables separately. He tested M-H theory considering only one factor from each set (achievement from motivators and company policy and administration from hygiene factors). Selecting only two factors out of sixteen factors may not be treated as a representative study as each factor has its own characteristics. The end result showed that two variables accounted for 75% of variance in overall job satisfaction, which Lindsey interpreted as it supports to M-H theory. Ott (1965) did factor analysis of 115 - job attitude questionnaire responded by 350 telephone operators. Out of 115 questions, 90 were related to hygiene factors and the remaining factors were related to motivators. As the study was more based on hygiene factors, it did not justify the utilization of M-H theory concept.

In case of misinterpretation of M-H theory results, Winslow & Whisett (1967) referred Centers & Bugental (1966) study which investigated strengths and weaknesses of M-H theory. The understanding was that higher occupational level would place greater value to intrinsic job factors i.e. motivators and lower occupational level would place greater value for extrinsic job factors i.e. hygiene factors. Overall 692 respondents from all occupational level considered for the study. It was found that higher occupational level values for motivators and lower occupational level values for hygiene factors were available in the job. It created an impression that motivators are available for higher occupational level and not for lower occupational level. The findings indicated that motivators appear at higher ranking than hygiene factors. It may be because of respondent occupational and education level (Herzberg, 1957). Burke (1966) tested unidimesionality of M-H theory. He investigated whether the respondents (187 college students) ranked motivators in some preferential order. He found that the respondent feeling about the relative importance varies widely. Hence he concluded that Herzberg’s theory may
oversimplification representation of job satisfaction (Burke, 1966). But Fredrick Herzberg never states or argued about importance of motivators or hygiene factors among themselves. Hence Burke’s study can’t be considered as a valid test for M-H theory.

Dual factor theory tries to understand vibrant nature of identified job factors. It takes consideration of two basic needs of man – growth needs and pain avoidance needs. It is necessary that both the needs should be met to balance the act. Identification of distinctive factors i.e. motivators and hygiene factors is the major contribution of Frederick Herzberg theory.

Herzberg Theory in Organization

Herzberg’s two factor theory initiated a major conversation that influenced approaches to motivation, reward and performance management etc. An empirical research on employee motivation and satisfaction by Reena Ali & M Shakil Ahmed (2009) with the sample size 80 conducted at UNILEVER companies shows that employees are most likely to be motivated due to their working conditions, personal and general dimensions. The noteworthy correlation is observed between work content and motivation. The promotion opportunities create motivation and thereby satisfaction among the employee. The result depicted that there is a positive correlation between leadership or supervision and work motivation. The study also shows there is a direct and affirmative relationship between employee reward, motivation and satisfaction.

Herzberg’s theory focuses on two factors. First is outcome that leads to high level of motivation and job satisfaction. Second is outcome that prevents people from being dissatisfied. The problematic people in the organization can be handled on the basis of roadmap provided by Herzberg theory. According to Nicholson, N. (2003), by keeping a balance between above mentioned aspects manager can deal with problematic employee in the organization. It is possible with proper understanding of employees’ expectation and agreed on mutually acceptable solution without fortification. Manager is a critical element of any organization. It is necessary to understand his motivational prospective. Managerial effectiveness is one of the sources of employee motivation. The study carried out by McClelland, D.C., & Burnham, D.H. (2003), shows that power motive is motivating factor followed by achievement motive. Based on Herzberg’s theory, responsibility and achievement as a motivator leading to satisfaction observed
as motivators for managers. Fulrich S.A. (2000) in his master dissertation study added communication and immediacy as motivational factors. These factors may become subset of hygiene factors, namely Supervision and relationship with subordinates. He proved that moderate immediacy and proper understanding of communication expectations from both employee and immediate superior play an important role in motivating the employee. Morse G. (2003) indicated that pay package has not always been a motivator for the employee. The intrinsic factors like desire to learn new skill, importance of job and contribution towards organization also plays an important role in employee motivation. It implies the need of adding new factors linked with changing business scenario. The applicability of the motivation-hygiene theory in financial institution is tested that by Shannon, R. (2005). His thesis tried to explore whether managers of financial institute applies two factor theory of motivation even if they are aware about it. Interview technique was used to see how manager motivates employees working in their institution. The study revealed that both type of factors (mentioned by dual factor theory) were focused by managers working in financial institution. Further he found that tangible as well as intangible benefits are necessary for employee motivation. Maidani, E. A. (1991) compared motivational aspects of public and private sector employee based on Herzberg’s two factor theory. The study shows that in both the type of organization intrinsic job satisfying factors are preferred for the employment. Extrinsic factors are more valued by the public sector than private sector. Job satisfaction in both the sectors is not linked with hygiene value. Research carried out by Galia, F. (2008) shows that motivational practices differ with types of organization. The author designed three motivation systems based on data collected through survey - Traditional Firms at the concerned work organization, Firms using personnel motivation practices, and the learning Firms using motivation and KM practices. Factor Analysis primarily Principal Component Analysis was used to identify three motivational management systems. The study shows that intrinsic and extrinsic motivations both are important and should be present together for better organizational performance. Intrinsic motivation is self dependent. Extrinsic motivation is controlled by the external factors. Hence it may be possible that employees who are motivated by intrinsic motivation may have a negative approach with the preamble of extrinsic motivation. Study also indicates that high level of intrinsic motivation leads to creativity and good knowledge management practices.

London, A. (2009) in his research paper entitled ‘The Impact of Intrinsic and Extrinsic Motivation on Job Choice in Generation Y’ specified that intrinsic rewards are more acceptable
than extrinsic for Gen Y. Though salary is one of the important extrinsic factor still Gen Y employees prefer intrinsic motivation as major aspect of their professional life which reflects in their commitment towards work as well as organization. It also results into higher level of satisfaction. This is sign that motivational factors mentioned in the Fredrick Herzberg theory may be investigated for Gen Y for their appearance in respective category. Similar outcome was observed from the study carried out by Campbell, B. L. K. (1994), in the case of men and women working in traditional and nontraditional occupation for identification and Comparison of Intrinsic and Extrinsic Job Satisfiers. The study clearly indicates that salary or compensation does not act as a prime motivator. In the case of intrinsic work satisfier, achievement is the highest intrinsic motivator. The co-worker (peer) ranked lowest by the employees (both male and female) who were working non-traditional job and by the female working in traditional business. Challenging work was not given so much value as compared to the other intrinsic factors. Independence was the next higher ranked factor by the female employees which indicates that females’ value independence for the job assigned to them. Variety in task was ranked higher by all the type of employees in case of extrinsic work satisfier while least priority was given to company policies. Baldonado, A. M., & Spangenburg, J. (2009) examined challenges faced by managers and business leaders while handling Gen Y. The study highlights the importance of Herzberg’s theory in current business scenario. It pointed out that, in order to handle and retain Gen Y, which is a major driving force in every business in current scenario, manager can understand motivational needs with the help of Herzberg’s theory. It is also to be noted that both Motivator and Hygiene factors equally matter for Gen Y. The similar kind of suggestion was given by Buhler, P. M. (2003) for managing this new millennium. He appealed the managers to avoid quick fixes which are generally done by using hygiene factors to raise employee satisfaction. Instead increasing responsibility helps to boost employee satisfaction. It is necessary for managers to understand phenomenon and pick, which best fits for individual working in the organization. Perry, J. L. et. al. (2006) studied performance parameters for understanding motivational aspects for new governance era. Authors reviewed 62 articles to study the impact of traditional performance factors – employee participation, incentive, job design and goal setting (as put forth by Locke et. al. (1980)). It was found that appropriate job design produces positive effect. This is in line with dual factor theory and effective strategy to reduce employee turnover.
and absenteeism. Better perception about organization also increases organizational attachment among the employees. Goal setting for higher level employees shows evidence of enhancement in creativity and productivity. It was observed that external rewards are not always required to strengthen the relationship between goal setting and productivity. Authors identified 13 prepositions for understanding what motivates employee working in new governance era. They framed model comprised of motivational factors and programs that lead to specific behaviour. The identified factors were grouped under two categories – Mediating factors which are dominant to affect the impact of motivational tools on behaviour. Moderating factors grouped under second category have an influence on impact of mediating factors.

The analysis showed that understanding of individual behaviour is important for thinking broadly about job design. In the case of manufacturing sector, financial, non-financial reward with social recognition shows a positive impact on employee performance. For service sector financial reward matters much. Since there is a weak link between performance and financial reward in case of public sector goal setting is least matter of concern.
Kwasi, D. & George, K.A. (2011) tried to understand employee motivation perspectives in Ghana, Nigeria based on dual factor theory. According to them, ‘Herzberg theory is responsible for the practice of allowing people greater responsibility for planning and controlling their work as means of increasing motivation and satisfaction.’ In Ghana, it is important to keep balance between both the type factors with more emphasis on hygiene factors. The study recommended that it is necessary for managers to manage these needs in such a way that employee can work efficiently and effectively. Well designed job structure was expected, which should be challenging and interesting. Further it is anticipated that the personalization of organizational goals for team and department is major factor where more emphasis should be given on an importance of department in overall performance of organization. A hierarchical Herzberg-Kano Model was developed by Tesavrita, C. and Suryadi, D. (2012), for identification of Herzberg’s Motivation-Hygiene factors for SME’s workers in Indonesia.Motivators and hygiene factors were grouped under 6 categories based on Kano model. These categories were as follows: Attractive (excitement needs), One Dimensional (performance needs), Must Be (basic needs), Indifferent, Reverse, and Questionable.

The research was carried out to enable SME’s to prioritize the factors that need to motivate the workers, keep the workers satisfied, and survive in the growth phase. It was expected that the hierarchical indentified factor would help in improving job satisfaction among the employees. The employees working in SME were interviewed for identification of attributes that create impact on employee motivation. Total 22 attributes were identified and found to be included in 4 categories, i.e. Indifference, Attractive, Must Be, and One Dimensional.

The model indicative that in order to keep employee motivated must be category from above model needs to be taken care for getting rid of dissatisfaction. No dissatisfaction phase can be
achieved by improvement of one dimensional attributes. It is expected that the attributes mentioned in Attractive category needs to be fulfilled for employee motivation.
Applicability of Herzberg’s dual factor theory lies not only for whole organization but for various functional departments also. Utley, D. R. et. al. (1997) found direct relation between success of quality improvement implementation and Herzberg’s theory. In the current business situation, the success of any organization depends on continuous improvement thereby enhancing the quality. The successful implementation of quality improvement programs exhibits more Herzberg’s motivators than organization which are having more emphasis on hygiene factors that are not likely to show successful implementation of quality implementation.

Multidimensionality of job satisfaction (based on Herzberg’s motivators and hygiene factors) is discussed by Tillman, C. J. et. al. (2010). Researchers investigated relationship between work locus control (WLC) and various job satisfaction dimensions. Locus of control is the person’s perception about the forces that determines reward and punishment (Rotter, 1966). The job satisfactions dimensions included satisfaction with the present job, satisfaction with pay, satisfaction with opportunities for promotion, satisfaction with supervisor, and satisfaction with people of work. JDI and AJIG techniques were used to access job satisfaction level of respondents. In all 114 accountants responded through email to the survey of measures of LOC. The analysis showed strong positive relationship between WLC and job satisfaction dimensions. The study put emphasis on Herzberg’s job enrichment concept for satisfaction of employees.

Based on secondary data, Manzoor, Q. (2011) developed model for establishing relation between employee motivation and organizational effectiveness. Author considered organizational effectiveness as a dependent variable and employee motivation as dependent variable examined through recognition and empowerment (motivators in dual factor theory). As employee recognition and empowerment are important aspects of organizational process, it contributes to employee motivation. The discussion proves that there exists positive relationship between employee motivation and organizational effectiveness.

**Herzberg theory in Specific Organization**
Herzberg study was tested in various business scenarios. One of the interesting studies was carried out by Macarov, D. (1972). He tested dual factor theory in Israeli kibbutz. Kibbutz is a voluntary collective, originally based on agriculture along with some industry. Members of kibbutz receive satisfaction for all their needs and their work. There is more emphasis on work with strong basis of no unemployment. There is nothing like salary factor existing in kibbutz setting. Structured interviews of members of 30 years old kibbutz were carried out. The questions were formed on the basis of Herzberg’s motivation-hygiene theory. The factor analysis of the data indicated that four motivators significantly playing role in the given setting. Those motivators are work itself, recognition, responsibility and interpersonal relationship (this is the hygiene factors as per M-H theory). Working condition appeared as dissatisfying factor. Irrespective of salary factor, kibbutz set up supports the Herzberg’s findings that satisfaction arises from the nature of work itself while root of dissatisfaction lies in working condition. By taking example of ‘Macedonia’ Bojadziev, M., & Krliu, V. (2006) studied an application of Herzberg theory in the emerging market. This study indicates that money remains a strong motivator and key to the future individual and social welfare (rather than hygiene factor as per Herzberg’s theory) along with growth of the organization. Gupta, V., & Chakraborty, B. (2010) discussed case study of Microsoft Corporation. They identified that communication with employee, performance review and compensation system, employee benefits and work place are the motivating factors for their employees. Communication points to relationship, performance review and compensation system represents recognition, achievement and salary factor, employee benefits lead to company policies and recognition and work place can be related to working conditions. Appropriate mixing of Herzberg’s’ hygiene and motivator results into employee satisfaction and hence increase in motivation level. This case study also shows that leadership - managerial position plays vital role in motivating employee. So responsibility, relationship with peers and boss are also significantly contributed in motivating employee. This shows the validity of Herzberg theory in current business scenario.

**Herzberg Theory in various industries**

Organizations and workforce experienced phenomenal change over past decades. In the quest of achieving success and sustainability in global competitive business environment agenda for any organization is to keep employee satisfied. The key of employee satisfaction lies in employee
motivation. Hence it is necessary to understand what motivates the employee. Motivation philosophy varies from industry to industry. An Empirical Study by Ganesh M.P. (2006) shows that there is a significant difference in motivational aspects for executives working in manufacturing industry and software industry. Job security in manufacturing industry motivates employees to focus on higher order goals. It has been observed that though software industries are pay master, still they have low score in motivational material incentives than manufacturing industries. The research finding for ITES industry indicates that the factors identified by Herzberg needs to be relooked. Das M. et. al. (2008) carried out research for medium sized ITES companies with sample size of 63 with the age of respondents ranging from 20-32 years and relevant experience in the same profession ranging from less than one year to maximum of three years. Job variety is new addition in hygiene factors, promotion is no longer motivating factor. Maturity of team leaders, relationship at work place and recognition are matters much in ITES industries as motivational drive. An endless effort of HR for employee satisfaction in case of IT and ITES industry was tapped by Poornima, S. C. (2009). This paper throws light on contribution of monetary and non-monetary compensation components towards employee motivation. She grouped compensation components in two types. Compensation designs, pay other than allowances and incentive and perk were included in monetary type of compensation components. In the non-monetary type following components were included job, organizational climate, career prospects and social environment. Data was collected from 202 software professionals using questionnaire survey and sign test was used to analyze the data. Gap between expectations and fulfillment with respect to monetary and non-monetary compensation practices was analyzed. An analysis of contribution of monetary and non monetary compensation on employee performance was carried out. The finding showed that non-monetary benefits are vital for employees working in IT/ITES industries. This is because of the fact that these employees are already satisfied with their salary package. Non-monetary benefits in software industries were more of extrinsic type. The level of satisfaction for this type of benefits is below expectation. Knight, P.J., & Westbrook, J. (1999) compared employee working in traditional job structure with telecommunicating jobs using Herzberg’s hygiene factors and motivators. Their investigation shows that the employees working in nontraditional business, show same consequences as that a traditional business for motivator-hygiene theory. Flexible working hours
and control over work life and schedule become strong motivators while work overload is an identified hygiene factor for the employee working in telecommunication sector. Similar type of study carried out by Sengupta S. (2011). She considered ten job related factors and five demographic factors for work satisfaction related study. Quantitative analysis of the 500 randomly selected employees from BPO sector across India was carried out. The study revealed that interpersonal relationship, career progression, working condition, salary and authority plays significant role in employee satisfaction. Only accountability was in inverse relation with employee satisfaction. Another finding showed that employee satisfaction drive varies with age, marital status, gender, education and tenure. Raina, A. D. & Shahnawaz, M. G. (2011) studied managerial motivational aspects in BPO sector. The research was carried to understand satisfaction of managers with respect to organization and their perception about HR practices. In all 51 executives from Delhi based organization responded to attitudinal survey. The HR practices considered for the study were scope of advancement, objectivity and rationality, wages and benefits. The findings revealed that advancement, wages and benefits are major factors contributing towards managerial satisfaction. Job enrichment, autonomy and job restructuring are associated with high performance of the managers working in BPO industries. These factors are integral part of work itself, one of motivators identified by Herzberg.

Pillai A. (2008) studied motivational facets for hospitality industry. His finding shows that employee empowerment, concern about employee growth, adequate reward system and encouragement are motivational factors for hospitality industry. These factors are integral part of Herzberg theory. He further pointed out that as hospitality industry comprises of all humanity aspects, proper care should be taken in order to retain their employees by assigning them job in which their interest lies and taking care of their growth, encouragement and reward. Gay, K. (2000) in his master thesis showed that good salary has always been prime factor for motivation of employees. It is followed by job security. Remaining factors differ on the basis of public sector and private sector employees, their age, sex, position and cultural difference etc. This study follows road map of Fredrick Herzberg theory by identifying certain motivational factors and prioritizing the same. This study aimed at differentiating motivational factors between public sector and private sector employees in hospitality industry and managerial perception about same. The research is based on motivational factors put forth by Dr. Kovach K. Nick et. al.
(2009) identified important motivational factors for professionals working in Greek hospitals. The study shows that motivating factors differ with the age. An achievement is the greatest motivator of all in Hospitals. Job attributes contribute a significant role of aged employee. Interpersonal relationship which is hygiene factor in Herzberg theory acts as motivator for experienced employee, which also plays major role in case of managerial position. The motivation factors diverge from private and public sector units. Money always had been a strong motivator for private sectors. As Herzberg theory tells that true motivation comes from within a person, it is rightly applicable in case of medical profession. Importance to money as a motivator was highlighted in the study carried out by Meudell, K., & Rodham, K. (1998). This research was carried out for the employee working in licensed house sector of hospitality industry. The outcome showed that money is significantly correlated with motivation to work and work harder. 16 managers and 46 employees were considered for the study. Author extended their study further for gender, age, length of service and job level. The analysis showed that job security matters a lot for managers while in case of employees’ fringe benefit was important for motivation. A motivational aspect varies with length of service. Up to 6 months money and bonus and afterward promotion, competition, relation with peers and job satisfaction comes into picture. The effect of motivational things for gender and age varies from bonus, promotion and job satisfaction. Females showed more affinity towards job satisfaction. Hyun, S. (2009) reexamined Herzberg’s dual factor theory in the context of Korean army food service operation. The study also tried to find out the factors which influence job satisfaction among both the type of factors stated in the theory. The respondents included 671 food service soldiers and 131 logistics officers. Multiple regression analysis showed that human supervision and independence factors were placed at higher position by soldier engaged in food service. Logistic officers from the same department ranked achievement and working condition at higher position for job satisfaction. This is indicative that hygiene factors are more important for soldiers in food service while motivators are more preferred by logistics officers working in Korean army. Strachan, E. (1975) in her master thesis explored applicability of Herzberg theory in education system for finding out teacher’s job satisfaction. She closely followed Herzberg methodology for collecting data. Respondents were asked to give critical episodes for both good experiences and bad experiences. All together 231 respondents including teacher, vice-principals and principals
from Carleton County were the part of this research. The responses investigated to understand if the factors contributing to job satisfaction are differ from the factors contributing to job dissatisfaction. The findings of the study supported Herzberg’s Motivation –Hygiene theory. The outcome of the analysis shows that the factors quoted by respondents related to job satisfaction were associated with performance of the work, In contrast, factors quoted by respondents related to job dissatisfaction were associated with work environment. The applicability of this research lies in one of the important motivators – work itself associated with job design, opportunity and encouragement. One more study related to motivational orientation and preference for reward for second school teacher was carried out by Palmere, M. R. (1989). He used Herzberg’s frame work for investigating the relationship of motivational orientation upon attitude towards merit pay and upon preference for reward. This study examined the relationship of Herzberg’s four motivators and attitude towards financial reward for outstanding performance i.e. merit pay. Another testing was carried out for testing the relationship of motivational orientation and preference for six reward system. The six reward system includes – change in structure, improved working condition, financial reward, professional development, rise in salaries and nothing. Analysis shows that the teachers with high hygiene need show positive attitude towards merit pay than low hygiene need teachers. Out of six reward systems, improving working condition, financial reward and raise in salaries were significant. No statistical significant relationship existed between four motivational orientations and experience, salary, age, gender, marital states, higher education earned etc. Smerek, R. E., & Peterson, M. (2007) examined Herzberg theory for improvement in job satisfaction among non academic employees working at colleges and Universities in America. A conceptual model prepared for testing the theory for job satisfaction as given below.
Figure 2.11: Model for assessing Job Satisfaction


The study aimed at finding out influence of personal characteristics and job characteristics on job satisfaction without consideration of external environment. Questionnaire survey was carried out in the business operations division of 36 units. The findings were indicative that age and perceived work environment (which includes work itself) were the most important predicators of job satisfaction. The factors which considered under perceived work environment were as follows: Job satisfaction, Recognition, Work itself, Opportunities for Advancement, Professional growth opportunities, Responsibility, Good feeling about organization, Clarity of mission, Effective senior management, Good relationship with co-workers, Satisfaction with salary,
Satisfaction with benefits and Presence of core values. It was concluded that perceived work environment variables were more influential than personal or job characteristics. The case study of Punjab University, Pakistan discussed by Isfaq A. et. al. (2010) in order to judge effect of motivational factors on employee job satisfaction showed contrasting results. This exploratory study was carried out for administrative employees working in one of the campuses of the university. The survey questionnaire method was used for collecting responses. The analysis showed that job satisfaction varies with gender. Female employees were more satisfied than male counterpart. Job satisfaction increased with qualification. Employees working in range of 5-10 years of experience were more satisfied than others. More importantly there is a significant relation in intrinsic motivators and job satisfaction.

The applicability of dual factor theory in government research and development environment was tested by Leach, F. J., & Westbrook, J. D. (2000). The study shows that, the relevance in case of Herzberg’s indentified factors as motivators and hygiene remains same in case of public sector unit like research and development department. The study was conducted by using survey method. 48 researchers and 39 managers replied for the survey. Company policy and administration was ranked higher by managers while working condition ranked higher by researcher for job satisfaction. In case of motivational aspects both the categories gave highest ranking to achievement as motivator. Osman A.D. (2007) considered Herzberg’s theory as a basis for her doctoral research. She carried out her research on public service employees in Bahama. The five motivators – achievement, recognition, work itself, responsibility and advancement were considered for the present study. She didn’t observe significant relationship between employee’s age, gender and job level and job satisfaction. In order to find out intervening factors affecting the relations between incentives and employee motivation, Nandanwar M.V. et. al. (2010) carried out study of employee working in pharmaceutical companies near Thane region (Maharashtra). The data was collected from 165 respondents through questionnaire methods. The findings show that non monetary incentives were preferred over monetary incentives. More monetary incentives may lead to more differences among the employees and create a negative impact on employee motivation. A well designed incentive scheme definitely creates positive impact on employee motivation. It was expected that incentives should be offered on the basis of employee age, gender regardless of designation.
Nair, S. K., & Ghosh, S. (2006) compared four industry sectors in India for understanding motivational facts of managers. IT, Consulting firms, Service sector and manufacturing sector considered for the study. Three clusters were formed to analyze the data collected by MWVS (Managerial Work Value Scale – It uses paired comparison format). 380 junior managers were selected for the study. The ten constituents of MWVS were – economic (Good Pay), security, working condition, status, humanistic, coworker, independence, achievement and creativity, rural and academics. These factors are closely related to Herzberg’s motivators and hygiene factors. It was observed that in the case of manufacturing sector, hygiene factors matters more as compared to motivators for junior managers. In IT and service sector, motivators were preferred over hygiene factors. For service sector managers’ both motivators and hygiene factors were at equal level as they valued both the factors. Looking at arena these managers’ works, the findings are indicative for guiding the management of these types of organizations to keep their manager motivated.

Stringer, C., Didham, J., & Theivananthampillai, P. (2011) tried to find out relationship between intrinsic and extrinsic motivation, pay satisfaction and job satisfaction for the retailers that uses a pay-for-performance plan. The study was conducted for front-line employees working in the retail sector. Survey method was used and responses were collected from 91 front line employees. The analysis shows that there is a positive relation between pay and intrinsic motivation and further in case of intrinsic motivation and job satisfaction. But negative relation was observed in case of extrinsic motivation and job satisfaction which supports Dual factor theory. More important finding of this research was that half of the front line employees rated high to both intrinsic and extrinsic motivation. The Malaysian retail sector was studied by Teck-Hong, T. & Whaeed A. (2011) for finding out which factors from Motivation-Hygiene Theory were valued by salesperson. This study also tried to find out to what extent does love of money (concept coined by Tang et. al. (2004)) mediate the relationship between money and job satisfaction. Selected through convenience sampling 152 responses were analyzed by using regression analysis. Based on Baron and Kenny (1986), four step procedure, mediator was tested. The four steps include –

To find out -
Step-I: Correlation between predicator variable and the criterion variable.
Step-II: Correlation between predicator and mediator variable
Step-III: The relationship between mediator and predicator on the criterion variable controlling predicator.

Step-IV: Effect of predicator on criterion variable controlling mediator.

![Diagram of Employee Motivation](image)

**Figure 2.12: Conceptual Model of Employee Motivation – Malaysian Retail Sector**


Working condition was found to be strongest motivator in Malaysian retail workers which is contradictory to Herzberg’s theory. The love of was money found to be identified as mediator influencing the relation between money and job satisfaction.

A critical analysis of motivators and hygiene factors in job perceived by banking sector in India was carried out by Badrinarayan, S.R., & Tilekar, P. (2011). A structured ranking ordered
A questionnaire was distributed among the respondents. 186 respondents were from public sector bank and 140 from private sector bank including 62 sr. management personnel and 264 middle and administrative level employees. The analysis shows that although job security is dissatisfier as per Herzberg theory, it emerged as motivator along with career advancement and opportunity. Sympathetic and consecrate supervision scored low i.e. there was least impact of these two factors on employee motivation. It was also indicated in the analysis that sr. manager preferred intrinsic motivators which included career advancement, opportunity, interesting and challenging work, respect and recognition i.e. intrinsic motivators. The lower levels which comprises of administrative and middle level employees preferred extrinsic motivators i.e. job security and adequate salary. Dunn, S. C. (2001) studied 18 matrix organizations for understanding motivational aspect of project managers and functional managers. In matrix organization, complex motivational setting is based on the cross functional structure that provides for oversight from functional manager and one or more project manager. The study demonstrates that, project managers have a significant control or influence for motivators and functional managers have control or influence for hygiene factors.

A study carried out by Ncube, C.M. & Samuel, M. O. (2014) tried to find out level of job satisfaction among the employees of municipality from one of the world-class socio-economic cities in South Africa. Researchers adopted Herzberg’s two-factor theory as a theoretical framework for their study. The relationship of intrinsic as well as extrinsic motivation with job satisfaction was verified in municipality employees along with the consideration of biographic variables like age, gender, tenure and education. For selection of 300 employees, convenience sampling technique was used. The relationship between motivators-hygiene factor and job satisfaction represented by the following figure is considered for the study.
Linear regression analysis showed that there is a noteworthy linkage of intrinsic and extrinsic motivation with job satisfaction in the case of employees working in municipality. Also age and tenure are found to be positively associated with job satisfaction.

**Summary:**
The literature review indicates that there was ample research done on Frederick Herzberg’s dual factor theory. Theory was criticized on the basis of either method dependency or biases. The applicability of the theory was studied for the entire industry segment and at departmental level also. This study adds more dimensions pertaining to coverage of ten industry sectors together and an identification of new factors in the motivators list. The next chapter discusses methodology of the current study.