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## Understanding Intrinsic Motivation: An Overview

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### ABSTRACT

Employee commitment, high productivity and retention strategies are rising as the most serious human resource management challenges of the upcoming future driven by employee loyalty concerns and heavy competition to retain key talent. In this scenario employee turnover has a significant impact on decline of productivity and failure of corporate plans. The significance of motivation in retaining key employees cannot be overlooked. Motivation is an internal energy that persuades an individual to achieve his or her goal and to be retained in the organization. An employee is extrinsically motivated through reinforcement contingencies but this is not enough, so it should be accompanied by intrinsic motivation which includes interest on job and making it pleasurable. Individual motivation tends to differ across subject areas, groups and this field specificity increases with age. Each generation has their own mindset towards motivation. In today's work place organizations are facing the challenge of satisfying the need of four different generational cohorts. The newest generation in the work place is generation y which has different values and requirement in comparison to its previous generations. It is important for the organization to recognize the specific needs and values which motivates them in order to have an efficient workforce. This paper aims to focus particularly on a review of extant literature on intrinsic motivation. Conclusions and implications for further research have been drawn from the literature reviewed.

**Keywords:** Intrinsic Motivation, Extrinsic Motivation, Employee Retention and generation y.

### 1. INTRODUCTION

After industrial age, society has briefly witnessed the information age and now it is visiting the conceptual age. The conceptual age brings changes in organizational structure, design and management to fit into present market condition. The most important change post information age is the increased awareness and positive perception towards intrinsic motivation or higher order human needs. Interest and enjoyment has intimately associated with intrinsic motivation which is prevailing in today's research and practice (Kotler,

2010; Pink, 2009; Seligman, 2002). The latest transition of focus of higher order human needs confirmed the effect of employee motivation on their performance and organizations are taking advantage by telling their success stories which revolves around intrinsic motivation. Many companies like Google, Apple, Safeway, and other 500 fortune organizations are quite successful in applying intrinsic motivation. In order to maximize individual contributions towards organization these companies have designed and developed many effective strategies. Their strategy is working because they have realized and promotes employee motivation for high quality outputs. The unnoticed fact is about the component of motivation between the design and culture of the organization and its success.

The need for understanding motivation is more critical than the past with the transition into the conceptual age, where creativity, empathy, recognition and unique thought processes are valued (Pink, 2009). Different facilitative conditions are required to motivate employees to pursue higher order cognitive work. In the industrial age employees were highly motivated by reward and punishment to complete their work. Their work is mechanical and less insight and creativity were involved.

Industrial age is mainly dominated by algorithmic work which involves simple step by step procedure to arrive at the output or conclusion. Heuristic work is becoming popular in the conceptual age. Cognitive abilities with unique and novel conclusions are highly essential for heuristic thought (Pink, 2009).

Because of the changing work demands from the employees, this would be very interesting to observe organizational approach towards this new kind of work. All the theories of motivation revolved around different kind of human needs that facilitates employee level of motivation and performance (Herzberg, 1987; Deci & Ryan, 2008). Employee motivation crates many success stories by the help of pay for performance models to non-profit organizations. Employing effective motivational strategies should be very important as organizations are dependent on heuristic work by human assets.

For any business to sustain creativity, deep thought and other high order cognitive processes are required which are essentials of intrinsic motivation (Pink, 2009). The difficulty in understanding intrinsic motivation is the only reason why organizations do not encourage it and hinder it without realizing its benefits. If organizations continued to focus on extrinsic motivation then intrinsic motivation will lose its importance (Deci, Koestner, & Ryan, 1999; Ariely, 2008).

## **2. SIGNIFICANCE**

The current paper is written to throw light upon intrinsic motivation and its applications in various organizations.

## **3. OBJECTIVES**

- To understand the concept of intrinsic motivation
- To study application of intrinsic motivation in various organizations.

## **4. METHODOLOGY**

The present study is particularly based upon secondary data research. For this purpose, various journals were referred and information was collected from a number of websites. In this regard, various libraries were visited in and around the capital city of Odisha – Bhubaneswar.

## 5. LITERATURE REVIEW

### 1. The Concept of Intrinsic Motivation

Deci and Ryan (1985) the pioneers of extrinsic and intrinsic motivation theory said that the activities that provide reward and pleasant in nature are grouped under intrinsic motivation and the activities which give immediate reward or avoids a punishment grouped under extrinsic motivation. Deci and Ryan (2008) in their theory which is more popularly known as Self-Determination theory (SDT) highlights the key difference between motivations, whether they are autonomous or measured. Autonomous motivation is defined as being volitional, which means actions are self-directed and self-governed. Preference is the key issue in autonomous motivation. Controlled motivation is shaped by situations where pressure or demand on the individual is from forces external to the self. They also believe that the vast mainstream of the foundations of motivation are accredited to socio-cultural conditions pertinent to the individual. They believe that ecological factors are more vital to the study of motivation than the actual bio-psychological devices accountable for them. The SDT model recognizes the subsistence of intrinsic and extrinsic motivators. The model is based on the supposition that people are naturally inquisitive, energetic and excited to succeed because these motives are sustaining and rewarding. This basically describes intrinsic motivation where stimulating, narrative experiences, and opportunities for mastery of trials are answerable for behavior. This natural need for growth is an important element of other motivation theories, such as Maslow's (1943) self-actualization, Herzberg's (1987) motivation factors, and McGregor's (1966) Theory Y. Extrinsic motivation is accountable for behavior for which the aim is to obtain a tangible payment or to avoid a punishment.

#### *Deci and Ryan: Self-Determination Theory*

The major distinction between motivations is whether they are independent or measured as per Self-Determination Theory (SDT). When actions are self-directed, self-governed that leads to autonomous motivation which is defined as being volitional. In autonomous motivation option is the key issue. The condition where stress or demand on the individual is from forces external to the self is framed as controlled motivation. The socio-cultural conditions relevant to the individual are the main foundations of motivation and it is described by the main research donors of the STD model, Deci and Ryan (2008). For the study of motivation they believe that environmental factors are more essential than the definite bio-psychological devices responsible for them. All humans have the obligation for autonomy, skill, and kinship to others (Deci and Ryan, 2000). In order to meet these needs they suggest that social contexts can be used to simplify and crop high levels of motivation which are related with positive psychological, growing, and interactive consequences and low motivation and well-being outcomes can be produced if the contexts do not support the gratification of the aforementioned human needs.

The presence of intrinsic and extrinsic motivators is recognized by the SDT model. The People are naturally curious, dynamic, and energized to succeed because these motives are underneath and rewarding as per the assumption of this theory. Where inspiring, novel experiences, and opportunities for mastery of trials are accountable for behavior, it is called intrinsic motivation (IM). Maslow's (1943) self-actualization, Herzberg's (1987) motivation factors, and McGregor's (1966) Theory Y described this natural need for development is a significant component of all these motivational theories. Where the aim is to get a tangible payment or to avoid a sentence is responsible for behavior that can be defined as extrinsic motivation (Deci & Ryan, 2008). It can be claimed that extrinsic motivators are strongly connected with job features

that can lead to job “dissatisfaction” by means of Herzberg’s (1987) investigation. Intrinsic motivations only (with few exceptions) produce true accomplishment with the job and are so different from employee motivations. What effect it will have on their motivational stages forecasted by the type of feedback that a person accepts. Almost all feedback in the form of rewards depending upon completion, assignation, and performance of a task have verified harmful for intrinsic motivation as per the reports of a cautiously led meta-analysis (Deci, Koestner, and Ryan, 1999). The exception lies in the form in which the positive feedback is given. Intrinsic motivation is endorsed by informational positive feedback in the form of verbal rewards carrying objective competency information e.g., news of good relative performance. The feedback is harmful to IM if, however, that feedback is brought using “controlling” language (Deci, Koestner, & Ryan, 1999). The consequences from the meta-analysis recommended that those who already have a desire to perform an activity, giving them tangible rewards such as money will only result in a decline of their natural aspiration to achieve in the first place. It is a common supposition that motivation is improved in spite of the types of instigators used, is invalidated by that milestone study. The opportunity of growing intrinsic motivation is very important enough to shield in more depth as per the result of positive informational feedback. It will have the negative effect on IM like all other rewards if the verbal feedback is viewed as authoritarian, making the extrinsic aspects to the task noticeable. It can satisfy the need for capability and thereby raise IM if; however, it is kept objective and informational. It is vital that the self-determination of the feedback receiver is conserved, for this affirmative effect to occur (Ryan, Mims, & Koestner, 1983). If there is any sign that feedback is controlling then that will have a negative impact on IM. For example, if a supervisor reminds the employee that high performance is estimated but gives the objective feedback information it would suggest that the good performance is controlled and not due to their choice. The need for potential is not satisfied by negative information rather it will reduce intrinsic motivation to the level of a-motivation – a state where there is little motivation of any kind. Controlled motivation can come from fears of sentence, inspection and deadlines though feedback can be regulatory to some extent. What may be more vital are the contradictory gradations of self-determination reinforced by the different types of motivation, though feedback is clearly relevant to motivation because of the effect it can have on self-determination. Starting with the most self-determination the intrinsic motivations to distinguish, to achieve, and to experience stimulation are autonomously structured and listed in descending order. Starting with the more self-determined extrinsic motivations, mutual, internalized, exclaimed, and externally regulated, are also listed in downward order.

### *Cognitive Evaluation Theory*

In order to explain the effects of external significances on internal motivation cognitive evaluation theory in the sphere discipline of psychology is established. CET emphasizes on proficiency and independence while examining how intrinsic motivation is valuable by external forces and to be particular, it is a sub-theory of Self-Determination theory. Three propositions are used by CET to explain how significances affect internal motivation.

Within the background of Self-Determination theory, external events set will impact intrinsic motivation for optimally taxing actions to the degree that they influence perceived capability. Moderate perceived competence will decrease intrinsic motivation where as events that promote greater perceived competence will improve intrinsic motivation (Deci and Ryan, 1985).

Each with an important purpose, events important to the beginning and regulation of behavior have three prospective aspects. Intrinsic motivation is positively driving as the informational aspect enables an internal perceived locus of causality and perceived competency. Intrinsic motivation is unenthusiastically influencing and increasing extrinsic compliance or disobedience as the controlling aspect facilitates an external perceived locus of causality (a person's perception of the cause of success or failure).

While promoting negligence in the task, the motivating aspect facilitates perceived incompetence and undermining intrinsic motivation. The purposeful significance of the occasion is regulated by the relative salience and strength of these three aspects to a person (Deci and Ryan, 1985).

Like external events, personal events vary in their qualitative aspects and, can have conflicting practical significances. Intrinsic motivation is enhanced or maintained as events deemed internally informational facilitate self-determined running. Intrinsic motivation is weakened as events deemed internally controlling events are skilled as force toward specific outcomes. Intrinsic motivation is deteriorating as internally motivating events marks useless and salient (Deci & Ryan, 1985).



Figure 1: Source: Reeve (2001)

## 2. Principles of Intrinsic Work Motivation

In the quest of personal as well as professional interests, Reeve (2001) defined intrinsic motivation is an inner drive to search for self fulfilling rewards and satisfaction from activities that engage use of knowledge, skills, and abilities. Towards meeting growth needs, enhancing personal illumination and addressing challenges of the unknown, intrinsic drivers relate to the psychological predispositions as they are innate and impulsive.

When logic and self management influenced employees to search for opportunities nurturing internal satisfaction and a sense of achievement intrinsic motivation emerged Thomas (2000). Where employees created growth opportunities and risk taking was a predictable behavior, intrinsic motivation flourished in that environment. In building and reinforcing supportive relationships with workers management and supervisory personnel played a key role. Motivation is known as the association between behavior and the probable outcomes (Deci & Flaste, 1996). What people project as the outcome they will behave according

to that. In the background of economic, organizational, social and relational environments, or maybe an interweaving of all factors, this behavior occurs.

In both intrinsic and extrinsic motivation, the behavior–outcome relationship is an important factor. However, in the American culture extrinsic motivators which also serve as strong control mechanisms are driven by capitalism, efficiency, and economic rewards. Therefore, workers live with the consciousness that there is a persistent equilibrium between rewards and punishment in the business world. Labor market is forced by extrinsic motivators despite the fact they may not always produce pleased or cheerful workers. Specifically when the control factors have the potential to decrease worker autonomy and reduce opportunities for positive acknowledgement while building extremely competitive environments, the opposite may occur. Whether or not rewards are in the offering Deci and Flaste (1996) defined intrinsic motivation as doing a task or activity for pure joy. The factors from within like achievement; accomplishments, self-satisfaction and personal proficiency are the source of this type of motivation.

### **3. Studies on Intrinsic Motivation**

A number of research papers have been reviewed to gain knowledge about different aspects of intrinsic motivation. The major findings are summarized in this paragraph. IM is the highest predictor of employee retention followed by job involvement (Sipho Mgedezi, Raymond Toga & Themba Mjoli, 2014). Mind set significantly related to intrinsic motivation and motivation is not something that needs to be externally regulated but is something that naturally exists and can be developed (Rudy Chincoya Sochan, 2012). There is a positive correlation between job satisfaction and IM among Millenilas (Ann Marie Kappel, 2012). Intrinsic Motivation affected employee’s intention to use e-learning in the work place more strongly than extrinsic motivation (Sun Joo Yoo , Seung-hyun Han & Wenhao Huang, 2012). Intrinsic need satisfaction related to work outcome and it significantly predicted both work performance and adjustment (Edward L. Deci and Paul p. Barrd, 2009). The relationship between mastery approach goals and turnover intention was only positive for employees low in intrinsic motivation (Anders Dysvik and Bard Kuvaas , 2009). The table below highlights some specific intrinsic motivational studies.

## **6. CONCLUSION**

Our culture tends to reward extrinsic motivation. However, if we bias too much towards extrinsic motivation, we become too dependent on what others think of us. We lack our own inner compass for making decisions and commitments, and instead we need to get external approval. If we are intrinsically motivated, we seek a higher purpose than just external validation. We behave in accordance with our own values. We engage in activities in pursuit of meaning, duty, or learning. And we can persist, even when confronted with setbacks, failures, naysayers, doubters, judges. People with the fixed mindset avoid challenges, lose faith with a single setback, and believe that success should be won without effort. People with the growth mindset seek and thrive on challenges, look beyond short-term setbacks, and believe they have to work hard to achieve success. Importantly, people with a growth mindset find their work meaningful because they’re applying themselves, giving their best, solving challenging and important problems. The findings of this review can be tested through quantitative tools with a large sample size to draw a holistic conclusion about intrinsic motivational factors and their importance.

**Table 1**  
**Studies of Intrinsic Motivation as an Independent Variable**

<i>Authors</i>	<i>Context of the Study</i>	<i>Variables Studied</i>	<i>Results</i>
Thomas & Velthouse (1990)	Cognitive elements of Empowerment-An Interpretive model of Intrinsic task motivation	Cognitive elements, Empowerment and Intrinsic Task Motivation	Empowerment is defined as intrinsic motivation and 4 cognitions are the base of Intrinsic Motivation which are sense of impact, competence, meaningfulness and choice.
Sutton & Sausser (2008)	Creativity and certain personality Test-Understanding the mediating role of Intrinsic Motivation in University setting	Creativity, Personality tests & Intrinsic Motivation	'There is Potential Mediating role between Intrinsic Motivation and Creativity.
Todd Dewett (2007)	Linking Intrinsic Motivation, risk taking and creativity-Survey data collected from R&D personnel	Intrinsic Motivation, risk and creativity	Intrinsic Motivation mediates the relationship between certain antecedents & one's willingness to take risk and this willingness mediates the effect of Intrinsic Motivation on employee creativity.
Elliot & Harackiewicz (1994)	Goal setting, Achievement orientation and Intrinsic Motivation-A meditational Analysis-The study of an activity among University Undergraduates	Goal Setting, Achievement orientation & Intrinsic Motivation	Individuals low in achievement orientation displayed the highest level of Intrinsic Motivation when provided with mastery focused goal.
Oldfather & Dahl (1994)	Reconceptualization of Intrinsic Motivation for literacy learning-A Ethnographic study of class room Culture	Intrinsic Motivation and Literacy learning	Responsive environment, honoring voice and support for continuing impulse to learn, facilitates Intrinsic Motivation.
McNickle (2009)	Intrinsic Motivational factor influencing public utility employees aged 55 and older as related to retirement decision	Intrinsic Motivation and retirement decision	Intrinsic Motivation plays a significant role in employee's retirement decision.
Kappel (2012)	Generational cohort as a moderator of the relationship between Extrinsic Motivation, Intrinsic Motivation & job satisfaction-A survey on general population	Generational cohort, Extrinsic Motivation, Intrinsic Motivation & job satisfaction	'There is a positive correlation between job satisfaction and Intrinsic Motivation among Millenilas.
Dysvik & Kuvaas (2009)	Exploring the relative and combined influence of mastery-approach goals and work intrinsic motivation on employee turnover intention in industrial sector	Mastery-approach goals, intrinsic motivation, employee turnover intention	The relationship between mastery approach goals and turnover intention was only positive for employees low in intrinsic motivation.
Henderlong & Lepper (2002)	Effects of praise on children's Intrinsic Motivation	Praise and Intrinsic Motivation	The motivational consequence of praise is moderated by the characteristics of the recipient such as age, gender and culture.
Yoo et. al., (2012)	The role of intrinsic and extrinsic motivators in promoting e-learning in the workplace in a food service company	Intrinsic Motivation, Extrinsic Motivation and e-learning	Intrinsic Motivation affected employee's intention to use e-learning in the work place more strongly than Extrinsic Motivation.
Deci & Barrd (2009)	Intrinsic Need Satisfaction: A Motivational Basis of Performance and Well-Being in Two Work Settings in the banking sector	Intrinsic need satisfaction and performance well being	Intrinsic need satisfaction related to work outcome and it significantly predicted both work performance and adjustment
Sipho Mgedezi et. al., (2014)	Intrinsic Motivation and Job involvement on employee retention among govt departments	Intrinsic Motivation, Job involvement and employee retention	Intrinsic Motivation is the highest predictor of employee retention followed by job involvement

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