

The Impact of Herzberg's Two Factor Theory and Efficiency at Work

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Abstract

This study aims to find out whether there is connectivity relation between motivation and productivity at work in the retail industry. The basic theory of this research is the Herzberg's two factor theory, concretely motivational and hygienic factors. Another goal is to see which of the two factors of Herzberg theory have more impact in raising the productivity of the employees in the retail industry. The study sample included employees at the company JYSK, Skopje City Mall in Macedonia. The main techniques used for collecting the data for the study is the primarily designed questionnaire used to measure these indicators. Regarding the first objective of the study, the results show a high correlation between motivational-hygiene factors and increasing productivity. The results of the second goal of this study show that hygienic factors dominate more on raising of the productivity than motivational factors, which means that for employees the most important is the monthly salary, relationships with others, being secured etc. One of the key recommendations is that the executive management of the organization to maintain the right attitude in relation to hygiene factors, because for the employees at any organization it is very important the management also to approve and implement other methods for promoting motivational factors.

Keywords: productivity, hygienic factors, motivational factors, retail

1. Introduction

Organizational behavior nowadays is one of the most important dimensions and requirements in the labor market. Alongside its many treatment issues, motivation is a very important mechanism of organizational behavior. On the other hand, many industrial psychologists are involved in maintaining homeostatic organizations trying to contribute to the productivity and performance achievements. They require different application methods, and training programs to detect what steps should be taken and implemented in order to obtain positive feedback.

The study aims to find the relationship between the employee's motivation and productivity of the organization, using the relevant questionnaire to measure these variables.

The Herzberg two factors theory, known as motivational-hygiene theory (Herzberg, Mausner, & Snyderman, 1959), is the basic theory supporting this research. Hygienic factors include: wages, company policy, work environment, relationships,

job security. Motivational factors include: advancement or progress, chances for personal development, gratitude, responsibility, achievement.

2. Main Case

2.1. The problem of research

Knowing that the productivity of the organization is one of the main problems and is essential to all types of businesses, especially nowadays where competition is increasing, it is very important that the leaders of any industry to improve the productivity and take concrete steps to change the organizational behavior.

The main problem of this research relates to the conceptual model of the theory of Herzberg on motivational and hygienic factors, as important factors affecting the productivity of the organization's. In particular, the study aims:

- To find out that is there a connection between the motivation of employees and increase of the benefits of the organization.
- To detect which types of motives, motivational or hygienic, more influence in raising the productivity of the organization.

2.2. Hypotheses

1. There is a connection between the motivation of employees and increase of the productivity of the organization.
2. The motivational factors of motivation tend to be in higher level than hygienic factors for raising the productivity of the organization.

2.3. The sample included in the study

In our study the sample consists of a total population of twenty subjects from the retail company JYSK in Skopje, who are of different ethnic backgrounds: Albanian and Macedonian. The selected sample of this research are just the sale employees of the organization, without involving the top management of the company. The table below includes the main categories that participated in the study, including:

Table 1. Sample Statement

		Percentage (%)
Age	18 to 25 years old	15.0
	26 to 35 years old	75.0
	36 to 45 years old	5.0
	46 to 55 years old	0.0
	Over 56 years old	5.0
Gender	Male	35.0
	Female	65.0
Education	Primary Education	0.0
	Secondary Education	25.0
	University Education	75.0
	Master or PHD Education	0.0

From the table above we can see that most of the subjects were between the ages 26 to 35 or 75% of the total number of subjects. Subjects 18 to 25 years were 15%, 36 to 45 years were 5% and over 56 years were 5% of the total number of subjects. Regarding the category of gender, 65% of subjects were female, 35% male. A considerable number of them are with university education about 75% and 25% are with secondary education.

2.4. Measuring Instrument

For measuring the scope of this study is used the questionnaire technique. The inventory for measuring motivational and hygienic factors is based on the original version of the measurement scale developed by Tang et al. (2010). Any assertion of an attitude questionnaire belonged to motivational factors and hygiene factors of motivation. For the measurement of employee's productivity, is used the questionnaire prepared by the researcher as well as modified with the goals and objectives of this study.

Our inventory consists a total of 35 claims, based on the Likert scale measuring. Motivational factors are classified into five component indicators, a total of 14 claims, including:

- Achievement (claim number: 1,2,3)
- Advancement (claim number: 4,5)
- Work itself (claim number: 6,7,8)
- Recognition (claim number: 9,10,11)
- Growth (claim number: 12,13,14)

Hygienic factor is analysed in six component indicators, with total included 16 statements such as:

- Company policy (claim number: 15,16,17)
- Relationship with peers (claim number: 18,19,20)
- Work security (claim number: 21,22,23)
- Relationship with supervisor (claim number: 24,25,26)
- Money (claim number: 27,28)
- Working conditions (claim number 29,30)

Regarding the measurement of labour productivity, there are in total five claims (claim numbers 31,32,33,34,35) adopted by its researcher.

The used questionnaire has undergone several methodological steps of translation from the original English language translated in to Albanian language and after that back translated and adapted in to the Macedonian language.

2.5. Data analysis

Based on the basic concepts of two factors Herzberg theory, undoubtedly the main finding is to highlight which steps or organizational behaviour cause dissatisfaction among employees and on the contrary what are the incentives that increase job satisfaction as well as the impact of the productivity of the employees against the organization. For testing the hypotheses of this research is used SPSS software (version 22.0) where are applied these statistical methods:

- Cronbach Alpha is used to view reliability questionnaire.
- Descriptive analysis on demographic data.
- Pierson Correlation to measure which of motivational or hygiene factors have more connection with the productivity at work.
- Multiple Regression Method is implemented to check whether hygiene and motivation factors will significantly explain the variance in job satisfaction

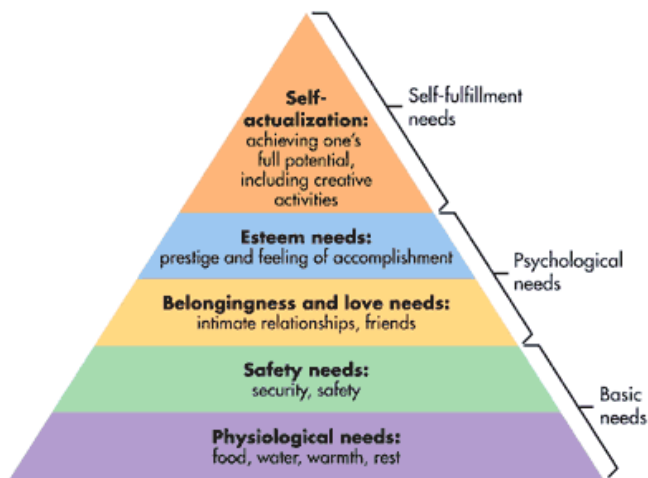
3. Literature review

Motivation is one of the more important mechanisms that stimulates man to the realization of different shares. It is an inner strength that arises from the need of the human body and pushed towards meeting that need. Motivation cannot be seen but can be measured by the performance. This does not mean that if someone performs a job as it should mean that it is motivated. The motivation for the work is not universal, it differs from one circle to another. Schulze & Stayn (2003), have

argued that to understand people's behavior at work, the manager or leader must be aware of the concept of need and motivation, to initiate movement towards their workers.

There are a number of theories to explain what motivates employees to be more satisfied at work and as a result to have high productivity. Substantive theories aimed to study the motives of employees that needs to be realized within the organization, where if we come to a conclusion about those needs and encourage them, then we will have the highest efficiency in the workplace. These include the theory of Abraham Maslow (1954), McClelland (1961), the theory of Herzberg (1959). Processive theories aimed to study why people often take jobs that do not wish to work or not work in conjunction with their motives, their interests and goals. As part of processive known theories are: the theory of Vroom (1964), Adams (1965), Lawler (1973). The basic theory of this study is the two factors theory of Hertzberg.

Maslow in 1943 for the first time wrote the script on the hierarchy of needs. Five needs in the form of pyramid enumerated as follows:



Based on the graph above we can see that the basic needs demand physiological approach necessary for our physical survival. According to Maslow these needs are: the need for food, water, warmth, shelter, sex, sleep. The second need is the need for security, the desire to be felt safe and free from danger and anxiety. Need to Belong, tend to be part of a particular group in society, the family or intimate relationship with someone. We give love in return and why we made it. From this psychological needs of the individual we have as a result of his membership in groups, clubs, organizations. The need for respect is another important dimension of human benefits enable self-confidence. This category includes the needs of inner desire to show strong, independent and achieved higher and his desire to have the reputation, prestige in relation to others. Need the last standing on the pedestal according to Maslow's hierarchy of needs for self-actualization, in a more general term is the desire to achieve full human potential. If someone has reached this pedestal, then what motivates this person? According to Maslow, this person is motivated to reach his inner values, seeking to have the kindness, sincerity, beauty, excellence, simplicity, and so on (Maslow, 1969).

According to Maslow, human needs have a systematic ordering, from the most basic to the higher needs in the hierarchy above. If carried out and meet a need, then it need not encourages and motivates the man and the body begins to require other incentives to achieve.

Although at first this theory did not have much access to organizational behavior, but later began to be analyzed and practiced in the organizational context. After 1943, when the Maslow theory came to light, in order to improve and increase the motivation at work, this theory began to be applied in various organizations that received international echo (Hazel, 2014).

4. Analysis and Results

4.1. Measuring characteristics of the questionnaire

To analyze the reliability of the instrument that is used to measure the motivational and hygienic factors, respectively measuring productivity at work, it is calculated Cronbach Alpha coefficient value, which value is 0.96, which exceeds the standard for being with statistical significance, where we can conclude that our instrument is reliable.

Table 2. Reliability Statistics

<i>Cronbach's Alpha</i>	<i>N of Items</i>
.962	35

4.2. Connectivity between motivational factors and hygiene and productivity at work.

Given that the main issue of this research is to find a connection between the Herzberg two factor theory, namely motivational and hygienic factors of labor productivity and the issue to analyse how these variables as they are in relationship with each other is used Pearson correlation method. The table below shows that the value of Pearson's coefficient ($r = 0.62$, $p > 0:01$), is statistically significant degree of freedom to 0.01. This value indicates that there is high correlation between motivational factors and hygiene and productivity at work.

Table 3. Correlation between motivational factors and hygiene and productivity

		<i>MPMOTIV</i>	<i>MPPROD</i>
<i>MPMOTIV</i>	<i>Pearson Correlation</i>	1	.622**
	<i>Sig. (2-tailed)</i>		.003
	<i>N</i>	20	20
<i>MPPROD</i>	<i>Pearson Correlation</i>	.622**	1
	<i>Sig. (2-tailed)</i>	.003	
	<i>N</i>	20	20

** . Correlation is significant at the 0.01 level (2-tailed).

Based on the results obtained we can conclude that our hypothesis is confirmed positive lodged.

4.3. The difference between motivational factors and hygiene and productivity.

For analysing the productivity at work by which factor depends more the motivational or hygienic, and also to analyze whether demographic factors may play a role such as age, gender and education in raising of the productivity, it is used regression analysis with linear models.

Table 4. The arithmetic mean, standard deviation and correlations between productivity and the independent variables.

<i>Variables</i>	<i>M</i>	<i>SD</i>	<i>Age</i>	<i>Gender</i>	<i>Education</i>	<i>Hygienic Factor</i>	<i>Motivational Factor</i>
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<i>Productivity</i>	19.25	2.954	.189	-.035	.090	.587**	.610**
<i>Predictive Variables</i>							
<i>Age</i>	2.05	.826	1	.330	.036	.535	.352
<i>Gender</i>	1.40	.503		1	-.236	-.165	-.252
<i>Education</i>	2.75	.444			1	.236	.210
<i>Hygienic Factor</i>	54.15	10.937				1	.849
<i>Motivational Factor</i>	49.55	10.575					1

To examine the results of the variable forecasters productivity have designed models of regression analysis model combining the first variable of age, sex and education and in the second model have introduced variable factors hygienic and motivational factors. The combination of first analysing productivity in combination with the variables age, gender, education, as shown in Table 5, resulted in a model that describes only 5% of their impact on labour productivity and are not statistically significant ($R^2 = .050$, $F(3,16) = .280$, $p = .830$). The combination of the second model, where as a predictor of productivity are provided hygiene factor and motivational variables factor, resulted in a model that describes 43% of the variance in productivity, which is the highest power ratio ($R^2 = .434$, $F(5, 14) = 2.146$, $p = .020$) and statistical significance.

Table 5. R Square value results in two models of regression analysis

<i>Model</i>	<i>R</i>	<i>R Square</i>	<i>Adjusted R Square</i>	<i>Std. Error of the Estimate</i>	<i>F</i>	<i>Sig.</i>
1	.223 ^a	.050	-.128	3.137	.280	.830
2	.659 ^b	.434	.232	2.589	2.146	.020

a. Predictors: (Constant), Education subjects, Age of subjects, Gender subjects

b. Predictors: (Constant), Education subjects, Age of subjects, Gender subjects MPFM, MPFH

Regarding the beta coefficients in the following table in the first model to the variables of age, sex and education, have no significant contribution, variables age ($\beta = -.244$, $t = -.879$ and $p = .394$), gender ($\beta = .206$, $t = .855$ and $p = .407$), and education variables ($\beta = -.035$, $t = -.168$ and $p = .869$). With the intervention of the second variable model of hygienic and motivational factors, noted the significant contribution of the variables that hygienic factor ($\beta = .778$, $t = 2.913$ and $p = .011$), whereas the variables of motivational factor are ($\beta = .697$, $t = 2.936$ and $p = .010$).

Table 6. Summary of standard regression analysis of independent variables for predicting productivity

<i>Variables</i>	β	<i>t</i>	<i>Sig.</i>
<i>Age</i>	-.244	-.879	.394

<i>Gender</i>	.206	.855	.407
<i>Education</i>	-.035	-.168	.869
<i>Hygienic Factor</i>	.778	2.913	.011
<i>Motivational Factor</i>	.697	2.936	.010
<i>Constant</i>		3.132	.006

Based on the results obtained from regressive analysis, we can conclude that there is no difference in terms of the theory of Herzberg factors, hygienic and motivational. For the participating entities to two factors are of great importance in increasing labor productivity at the same level and also our hypothesis presented the motivational factors of motivation tends to be a higher level than hygienic factors for raising the productivity of the organization.

5. Discussion

As the study aims to first identify the relationship between motivation and productivity at work, the second purpose of this study is to see which factors are most important to increase productivity, hygiene or motivational factors. Details of this study were collected through questionnaires and were processed by statistical methods, using descriptive method, Pearson correlation, regression analysis. By analyzing the reliability test, Cronbach Alpha value resulted to be 0.962, showing consistently high value of confidence.

The first objective of this study is to review the report of the links between employees motivation and increasing productivity at work, which report is analyzed using Pearson correlation, which proved to be worth $r = .622$, high correlation and significant the degree of freedom ($p > 0.1$), which means that the establishment of motivation at work then the chances are very great that we will have the improvement or increase efficiency and productivity. The results of our study correspond well with results obtained by other studies, where Hauser (2014), pointed out that motivation is one of the most important factors of employees that encourages them to be more productive at work. Huselid (1995) states that employees produce frustration demotivated and unproductive work, so in order to have performance and high productivity workers organizations, incentives should be used to revive their activity.

The second objective of the study is detecting what types of motives, motivational or hygienic, more influence in raising the productivity of the organization. To analyze our hypothesis about the second objective, which means that the factors motivational motivation tends to be a higher level than hygienic factors for raising the productivity of the organization, in an analysis of regression was observed that both variables play a role in increasing the efficiency of work, with 43% of variance explained by the productivity of the organization hygienic and motivational factors. Factors related to the theory of Herzberg were conducted by a number of studies, some results obtained in hygienic factors have played a role in encouraging workers to other studies have emerged as the most important motivational factors. A study conducted on two factors-Herzberg theory in retail companies from Winer & Schiff (1980) found that motivational factors are most important and priority to promote and stimulate workers than hygienic factors that take secondary role. The results of our research comply with the data obtained from Lucas (1985), which evaluated the report supervisor-subordinate is an important factor that report assessing the two factors theory Herzberg, which also affect the satisfaction of workers.

Having satisfied employees work means not only to do their job well, but also provide a good service for customers so that customers feel satisfied with the service that is given. According to the study of Dawson (2005), employees who are happy and satisfied at work, their happiness will follow up to the customers who remain satisfied and loyal to the company. Herzberg theory, claims that satisfied employees with both factors, the hygienic and motivational, is likely to be the highest performance, unlike those who show resentment between these two factors.

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Additional:

Shortcuts

MPMOTIV-Averages of the motivation

MPPROD- The overall productivity

MPFM- Averages of the motivational factors

MPFH- The overall hygiene factors