Extrinsic Motivation and Organizational Commitment

by Zulkifli Musannip Efendi Siregar

Extrinsic Motivation and Organizational Commitment :
A Literarure Review

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Abstract

Increasing employee commitment to work is one of the most important points for the company. Without organizational commitment from an employee, the employee will tend to work less than optimally. This study aims to find answers to the research question of whether extrinsic motivation influence organizational commitment. Metode penelitian yang digunakan dalam penelitian ini adalah article review dari beberapa jurnal yang telah publish. The results of the study proved that extrinsic motivation influence organizational commitment. The results of this research have implications for policymakers, that employee must be given support and aslo increasing the employee extrinsic motivation such as providing fair promotion, reward, and also providing a good income. The limitations of this study are that the variables used as independent variables to test commitments are still few. In the future, it will be expected to increase variables and conduct research empirically.

Keywords: Extrinsic Motivation; Organizational Commitment

1   Introduction

To improve employee performance requires a high commitment from employees. So that, an employee with high commitment is crucial in achieving organization success (Gul, 2015) (BYTYQI, 2020) or organizational performance (Cuyper & Witte, 2011). Organizational commitment is very important to retain employees and organizational survival (Warrier & Asha, 2017). According to exchange theory, commitment is as an outcome of contribution transactions between employee and organization (Kim & Rowley, 2005). Employee commitment means as an employee strength identification and involvement to organization and employee also wish to maintain their membership to the organization (Porter et al.,1974). Meyer & Allen, (1991) stated that at least three are three dimensions of employee organizational commitment, they are affective commitment, a need or continuance commitment, and normative commitment. Affective commitment related to employee commitment based on emotional ties with the organization of the workplace. Normative commitment related to the employee commitment based on employee feeling about an obligation to the organization. Continuance commitment related to the employee perception about costs, economic and social, if employee leaving the workplace (Meyer & Allen, 1991). Employees with a strong affective commitment, employee stay with organization because they want to, employee with high continuance commitment, not leaving organization because the employee have to, meanwhile, an employee with high normative commitment stay because the employee ought to.(Yousaf et al., 2015).

In addition, employee desire to stay and not leaving the organization (Porter et al., 1976). A highly committed employee will see that he or she as true member of the organization (Riketta, 2002), and committed employees require less supervision than employee with low commitment(Ivancevich et al., 2014). The study related to employee commitment in the private sector have been done by many researchers (Curtis, Upchurch, &

Severt, 2009; Centinkaya, 2011; Saleem, Saba, & Adnan, 2013; Almarshad, 2015; Nazir & Tran, 2016; Alam, 2016 ; Asha & Warrier, 2017; Al-Madi, Assal, Shrafat, & Zeglat, 2017; Nasurdin, Ling, & Khan, 2018), but the study related to commitment of employee in the public organization perspective relatively few (Su et al., 2013; Miao, et al., 2013; Camilleri & Heijden, 2015; Albrecht et al., 2017; Ifeoma et al, 2015).

2. Scope and Research Question

This research was conducted by reviewing articles related to the relationship between extrinsic motivation on organizational commitment. This research is to answer the research question below :

    a.   What is organizational commitment?
    b.   What is the extrinsic motivation?
    c.   Does extrinsic motivation effect the organizational commitment ?

3   Methodology

This type of research is a review article. Articles searched through a search mode using the search engines for electronic databases using search strings such extrinsik motivation and organizational commitment. The study of articles was conducted between 2005 and 2017 which was published in various academic journals.

4. Finding
4.1. Organizational Commitment

Organizational commitment defined as employee identification with and attachment to an organization as employee workplace(Griffin & Moorhead, 2014). Mowday at al, (1979), stated that commitment is a state in which an employee identifies with the organization and organization goals and strong of willingness to maintain their membership to organization in order to to achieve the goals. According to Porter et al (1974) and Mowday et al., (1979) organizational commitment also can be said as nature of an individual's relationship to an organization, a highly committed of employee will demonstrate (a) a strong willingness to be a part of their workplace, (b) exert the high effort to achieve the organization success, and (c) a belief in and accept the organization values. Employee commitment is as a bond of the employee to the working organization (Camilleri & Heijden, 2007). Moorhead & Griffin (2013) organizational commitment is an attitude that reflects the extent to which an individual knows and is bound to his organization. An employee who has a high commitment at work is likely to see himself as a true member of their organization. Another opinion said that organizational commitment as the willingness of an employee to stay and become a member of the organization (Colquitt et al., 2011). An employee with high commitment always wants to become part of the organization (Yen et al., 2014).

This shows that external encouragement such as salary, promotion, work environment, and recognition greatly influences their commitment to work. Asha & Warrier, (2017) in their research conclude that organizational commitment was important to keep employees productivity and efficiency in a high degree of level. Additionally, they said that without employee commitment, the organization will losses in profit and lack of workers. Employee extrinsic motivation is one a crucial driver employee commitment and helps employee retention. Nazir & Tran, (2016) also added that the satisfaction of employee with extrinsic benefits, supervisor support, coworker support, autonomy, training, and participation will impact their commitment to the organization.

4.2 Extrinsix Motivation

Motivation can be explained as set of forces internally or externally that leads a person to behave in particular ways, motivation usually starts with a need. Person seeks for ways how to satisfy their needs and then they will behave accordingly (Griffin & Moorhead, 2014). Employee motivation has a vital role in the success of organizations (Curtis et al., 2009) and also enhance employee commitment (Williams & Owusu-acheampong, 2015).

Extrinsic motivation occurs when employees have high motivation not an inner desire but employees are motivated by extrinsic rewards (Warrier & Asha, 2017). Extrinsic motivation is defined as the set of monetary rewards from organization given to employee both direct (e.g. salary, incentives, bonus) and indirect (e.g. time not worked, training, contributions to employees' benefit plans etc) – that employee receives as an exchange from the organization for their job (Cruz, Perez, & Cantero, 2009). Extrinsic motivation of employee comes from external drives such as salary, security, work conditions, promotion, high power incentives, recognition, and stability (Ifeoma et al., 2015). An extrinsic reward is initiated from outside of the people, e.g receiving praise from a supervisor(Ivancevich et al., 2014).

Asha & Warrier, (2017) said that extrinsic motivation means that employee feels motivated not because of the inner desire but motivated by extrinsic rewards. Salleh, at all., (2016) employees with low motivation will have a poor performance at work. This opinion strengthened by Williams & Owusu-acheampong (2015) hat work motivation is a factor that influences organizational commitment. They found that motivator factors effect on employee commitment.

4.3. The Link of Extrinsic Motivation on Organizational Commitment

Motivation has an influence on attitude, such as commitment to the organization (Parish, et al, 2008). Motivation is critical to increase organisational commitment of employee (Amdan et al., 2016). According to Miao et al., (2013), they said that extrinsic reward such as benefit, satisfaction with supervision, co-worker support can increase organizational commitment. Other findings also showed that extrinsic motivation can predict employee organizational commitment (Asha & Warrier, 2017). Ajmal et al (2015) also concluded that extrinsic motivation can improve employee attitudes such as commitment to work. In research conducted by Malhotra et al., (2007) analyze work condition, pay, satisfaction with fringe benefits, promotion and the study highlight the significance of extrinsic rewards to employee commitment. Organizations also has the role to increase the commitment of their employees at work. Some policies can be done by organizations to increase the commitment of their employees such as increasing employee's extrinsic motivation through the application of the employee commitment factors i.e. the good performance management, giving training and development to employee, and give a fair reward systems to employee.(Gul, 2015).

Several research findings show that extrinsic motivation to increase employee organizational commitment to work (Miao et al., 2013). Employees will be more motivated if the employee has a good perception of external encouragement, such as salaries, promotions, and also support from workplace organizations. Employees who have commitment will tend to stay in an organization (Asha & Warrier, 2017). They also stated that motivation can predict employee commitment at work and employees who have high motivation will spend the time and their energy at work, because of this fact, they said that there was the correlation

between motivated employee and employee commitment at work. Previous research by Centinkaya (2011) conducting a study about the link employee extrinsic motivation on commitment. The finding showed that extrinsic motivation correlated with commitment. She also said that motivation determines the direction, power, and priority of behavior, which can be stimulated both intrinsic and extrinsic driven (Centinkaya, 2011). Mukhodah & Ranihusna, (2018) shows that extrinsic motivation has a positive and significant effect on organizational commitment.

5.   Conclusion and Recommendation

The results show that extrinsic motivation influence organizational commitment. This shows that, extrinsic motivation is very important to increase organizational commitment of employees. The results of the study have implications that the employee must be given support and aslo increasing their extrinsic motivation such as providing fair promotion, reward, and also providing a good income. The limitations of this study are that the variables used as independent variables to test commitments are still few. In the future, it will be expected to increase variables and conduct research in more than one variabel.

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