

# **An analysis of the relationship between intrinsic and extrinsic motivational states of employees of Central Government organisations in Kerala**

## **SYNOPSIS**

Extrinsic rewards continue to play a vital role in motivating the workforce in public sector organisations. However, it is imperative to analyse the effect of extrinsic rewards on intrinsic interest as any detrimental effect of extrinsic rewards on intrinsic interest will be costly. Furthermore, due to the dominance of intrinsic-extrinsic dichotomy, there is a tendency to label employees as either intrinsically oriented or extrinsically oriented. As a result, the holistic motivational needs of the employees are often forgotten and managers usually envisage conventional motivational strategies for their employees. The present study attempts to fill the knowledge gap in this domain by analysing the effect of different motives on the work motivation. A new construct called Aggregate Work Motivation is introduced to represent the intensity, direction and persistence of effort contributed by multiple motives.

The study, conducted in five selected Central Public Sector Enterprises (CPSEs) in Kerala, provides valuable insights into the relative merit of each motivation construct. A sample of 371 employees from these organisations was selected in accordance with the conditions stipulated for minimum sample size as well as scientific sampling. A model representing the relationships between various motivations and Aggregate Work Motivation has been developed and model fit has been tested using Structural Equation Modelling. SPSS 23 and AMOS 23 were used for data analysis of this study.

The research supports the general belief that public sector employee prefers intrinsic rewards to monetary rewards. The analysis reveals a positive relationship between the extrinsic and intrinsic motivation in Central Public Sector Enterprises. The study gives ample evidence to the role of Public Service Motivation (PSM) as one of the major antecedents of work motivation in Indian public sector and suggests the need to foster PSM. The ill-effects of Demotivation on work motivation are also emphasised, albeit the Structural Equation Modelling doesn't support significant effect of Demotivation on work motivation. The influence of individual as well as organisational factors is also found significant.

Despite a few limitations such as exclusion of political, social and cultural factors in the analysis and non-representation of CPSEs outside the state of Kerala, the study offers valuable insights to top level management of public sector in India and makes theoretical and empirical advancement over prior knowledge. Theorists and practitioners may consider the fact that motivating employees by applying a specific motivation strategy is not enough. A holistic approach may be adopted, in which, managers need to consider the relative impact of each type of motive on the work motivation.