Influence of intrinsic rewards on intrinsic motivation, work engagement and intention to quit

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Questions to answer

If only 30% people are engaged, so...
- Why do people work?
- Is money the primary focus?
- Is the Adam Smith mode of production correct?
The puzzle of solving puzzles
The marshmallow problem
<table>
<thead>
<tr>
<th>Monetary/Economic (extrinsic)</th>
<th>Social (intrinsic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rewards are tangible:</td>
<td>Rewards are</td>
</tr>
<tr>
<td>external to the work,</td>
<td>intangible: sense</td>
</tr>
<tr>
<td>controlled by others</td>
<td>of self, not con-</td>
</tr>
<tr>
<td></td>
<td>trolled by others</td>
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</tbody>
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Monotonic relationship between performance and rewards

Performance is independent of level of rewards
Adam Smith vs Karl Marx

- **Smith** = efficiency is fundamentally important
- **Marx** = alienation of labour, meaning is even more important

**Industrial revolution**

Smith > Marx

**Knowledge economy**

Smith < Marx
Research question

Do intrinsic rewards.....
- Increase intrinsic motivation?
- Increase work engagement?
- Decrease intention to quit?
Definitions

- Intrinsic rewards = psychological benefits gained from meaningful work
- Intrinsic motivation = internal desire to perform tasks for internal satisfaction
Theoretical statement

- **Non profit organisations** cannot rely on extrinsic rewards
- Therefore focus on intrinsic rewards to intrinsically motivate, engage, and retain employees
Proposed theoretical model

Intrinsic rewards

Intrinsic motivation

Work engagement

Intention to quit

H1

H2

H3

H4

H5

H6
Hypotheses

- **H1**: Intrinsic rewards have a positive effect on work engagement
- **H2**: Intrinsic rewards have a positive effect on intrinsic motivation
- **H3**: Intrinsic rewards reduce intention to quit
Hypotheses

- H4: Work engagement reduces intention to quit
- H5: Intrinsic motivation reduces intention to quit
- H6: Intrinsic motivation has a positive effect on work engagement
Sample

Non-profit organisations in

- South Africa 192
- Australia 150
- United States of America 144
- Belgium 101

Total sample size = 587
Results: Theoretical model

Intrinsic rewards → Work engagement

H1 = .090

H4 = .640

H6 = .858

Intention to quit → Intrinsic motivation

H3 = -.870

H5 = -.390

H2 = .885

Intrinsic motivation → Work engagement
Results

- H1: Intrinsic rewards = increase work engagement 😊
- H2: Intrinsic rewards = increase intrinsic motivation 😊
- H3: Intrinsic rewards = decrease intention to quit 😊
Results

- H5: Intrinsic motivation = decrease intention to quit 😊
- H6: Intrinsic motivation = increase work engagement 😊
- H4: Work engagement = increase intention to quit 😞
Demographics

- SA respondents = higher intrinsic reward satisfaction, intrinsic motivation, work engagement
- Older groups = higher intrinsic reward satisfaction, work engagement
- Higher job level = higher intrinsic reward satisfaction, intrinsic motivation, work engagement
‘I am not a cog and so it is not the set of imposed tasks, but rather what I am actually doing...that is what is seen to count...and I see that I am alleviating someone’s pain, then that is the ultimate payoff for me...all I need to keep me going back, and all I need to take away...I feel engrossed and really value it. That is not work.’
Implications

- Job redesign for greater intrinsic reward
  - Meaningful
  - Flexible
  - Challenging
  - Varied
  - Enjoyable
  - Autonomy
  - Purpose
Example of intrinsic change

Hospital Janitor: duties

- Shampoo carpet
- Clean upholstery
- Wax floors
- Operate cleaning equipment
- Clean grounds
- Unplug commodes, urinals, drains
- Mop
Problem?

- No human interaction
- Meaningless, boring
- The performance appraisal allows only these duties as goals
- Performance based on: Structure, processes, systems, metrics
Solution

Job redesign for greater intrinsic reward

Co-operation
Understand what your people do
Reinforce integrators: power
Remove layers to remove distance
Remove rules: discretionary power
Empower all to use judgment
Expose to consequences of actions
Increase reciprocity
Reward co-operation: assistance
Result

- Improves patient care
- Enables hospitals to run well

And.....
- Adds meaning to otherwise dull work
- Adds challenge and variety
- Leads to intrinsic reward, intrinsic motivation, engagement