

6.16 Validity of Herzberg's Two-factor theory of motivation for the financial executive level employees in Sri Lanka

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ABSTRACT

There are motivational theories that have been tested in environments of variety of organizations. Many organizations have human related problems highlighting the need of a motivational mechanism. The problem is how far these theories can be used in changing situations. As such most of the motivational theories are not applicable to the all circumstances.

The purpose of this study is to examine the validity of Herzberg's Two-factor theory to the financial executive level employees. Also, the study also focuses on the differences of job satisfaction and dissatisfaction of the private and the public sectors employees and male and female employees.

The public and the private sector financial level executives were considered as population and sample of 100 out of them were selected. For this study a structured questionnaire was used as a data collection tool, requesting them to rank job factors including motivational factors (When motivator factors exist actively they create job satisfaction) and hygiene factors (If employees consider hygiene factors inadequate, then they can cause dissatisfaction at work).

Results and findings of the study revealed that financial executive level employees' ranked salary as a motivator factor within a group of other factors such as Advancement, Work itself, Recognition, Growth, Achievement and Responsibility respectively. Even though Herzberg's theory identifies salary as a hygiene factor this study finds it as a motivating factor for account professionals. This might be because of economic situation that they actually countenanced. Furthermore, ranks are also contradictory to the Herzberg's Two-Factor Theory.

In addition, researchers have found that there is a significant difference between job satisfaction of the private and the public sector employees. Compared to the private sector employees public sector employees are less motivated by extrinsic factors (Working Conditions, Safety, Company Policy and Administration, Relationships, Salary, Security) and more motivated by intrinsic factor (Advancement, Work itself, Recognition, Growth, Achievement and Responsibility). In addition, the study found no significance difference between male and female employees' job satisfaction and dissatisfaction factors.

Key words: Two-factor theory, Hygiene factors, Motivational factors, extrinsic motivation, intrinsic motivation, Job satisfaction, Job dissatisfaction