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Critical Assessment of Fredrick Herzberg's Theory of Motivation with Reference to Changing Perception of Indian Pharma Field Force in Pune Region

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Abstract:

Fredrick Herzberg's article "One More Time, How Do You Motivate Employees?" was the most sought article from Harvard Business Review reprinted in January 2003. His Motivation-Hygiene theory has been accepted worldwide by the managers with respect to the problems related to employee behaviour at work. In today's world it is necessary to ensure the pool of talented employee should remain with the organization for a longer period and it is possible only keeping them highly motivated. The general Social Survey (GSS) carried out by National Opinion Research Centre at University at Chicago focus on the fact that people appreciate bonuses, but money alone can't have the expected work result if manager ignore the employees desire meaningful contribution towards organization. The result shows that motivational job situation and organizational orientation also helps in reducing the stress of the employee at moderate level.

It has been observed that motivation is morale buster for the employee. The more you motivate your employees more productivity will be observed. If we put motivation in the form of formula $P = F (M, A, E)$ Where P – Performance of the employee, M – Motivation, A – Ability and E – Environment. Thus motivation plays very important role in case any type of organization. It has been observed that motivation is a key for attracting and retaining the employees.

Keywords: Motivation, Performance appraisal, organizational orientation, work environment

1. Introduction

One of the most important factors that contribute in the success of organization is motivation. Motivation is always linked with performance. There are numerous motivation theories that have influenced the way organizations manage employees to achieve a motivated work force. These theories attempt to explain why people behave the way they do and advice on factors and strategies which when employed can get the best out of employees in terms of their commitment to work. To motivate employee is always going to be a challenging task as organization has to deal with the diverse work force. It is because employees change their jobs with certain needs and expectations. This dynamic nature of needs and expectation poses challenge in order to motivate employee in the organization. Competition as a result of globalization, information technology and industrialization in Pharma sector has compelled managers all over the world to seek to motivate their employees in order to get the best out of them and to stay competitive. This has led managers to employ all sorts of techniques to motivate and satisfy their employees.

Fredrick Herzberg's article "One More Time, How Do You Motivate Employees?" was the most sought article from Harvard Business Review reprinted in January 2003. Herzberg's 'Motivation-Hygiene Theory' also known as the 'Two-Factor Theory'. The conclusions he drew from this theory were extraordinarily influential and still form the bedrock of good motivational practices in organizations today. Herzberg revealed that certain characteristics of a job are consistently related to job satisfaction while different factors are associated with job dissatisfaction Ratzburg (2003). This is classified into motivator factors and hygiene factors which form the basis of his Motivational-Hygiene Model. His Motivation-Hygiene theory has been accepted worldwide by the managers with respect to the problems related to employee behaviour at work.

The Motivation-Hygiene theory suggests that work be enriched to bring about effective utilization of personnel. Such systematic attempt to motivate employees by manipulating the motivating factors is just beginning.¹

This approach still stands true over a period. In today's world it is necessary to ensure the pool of talented employee should remain with the organization for a longer period and it is possible only keeping them highly motivated.

¹Fredrick Herzberg, "One More Time: How Do You Motivate Employees", Harvard Business Review, September-October 1987, Vol.65, Issue 5, Page No. 109 -120 / Harvard Business Review Jan 2003, Vol. 81, Issue 1 Page No. 87-96

2. Literature Survey

According to Herzberg, the work one considers to be significant leads to satisfaction. The factors that portray job satisfaction are completely different from those factors that prime to job dissatisfaction. Therefore, these feelings are not polar opposites: in other words, the antonym of job dissatisfaction is not job satisfaction, but no job satisfaction.

Motivation is a complex phenomenon. It is a psychological state of mind which directly link to human behaviour. Each individual differs by nature. Every individual has different motivational values. One can't predict which factor will motivate whom. Each of us has unique motivational drives, ideas, values and beliefs about what is reasonable.

The hygiene factors are also referred to as the maintenance factors and comprise of the physiological, safety and love needs from Maslow's hierarchy of needs. They are factors that are not directly related to the job but the conditions that surround doing the job. A survey by the Development Dimensions International, published in the UK Times newspaper in 2004 interviewed 1,000 employees from organizations employing more than 500 workers. The survey found out that many of these employees were bored with their jobs, required assurance and were looking for new jobs. It further showed that, the main reasons why employees were leaving their jobs were lack of stimulus jobs and no chance for progression. Employees wanted more thought-provoking jobs that were exhilarating to do. The research found out that the factors that motivate employees most were found to be accomplishment, accountability, personal growth among others. Clearly the provision of enriched jobs by managers has the capacity to make employees feel motivated. This is one of the main ideas captured in Herzberg's theory.

According to Frederick Taylor, Father of Scientific management, "What workers want most from their employer's beyond anything else is high wages." Though money is still important, but today it is true that employee wants meaning and satisfaction from their jobs and not only salary. The General Social Survey (GSS) carried out by National Opinion Research Centre at University at Chicago emphasis on the statistic that people escalate bonuses, but money alone can't have the expected work result if manager ignore the employees desire meaningful contribution towards organization.²

According to Herzberg, the motivator factors affect to the job content, they comprise the physiological need for growth and gratitude. The absence of these factors does not prove highly dissatisfying but when present, they shape sturdy levels of motivation that result in good job performance. They are therefore called satisfiers or motivators.

According to L.M. baker Jr., Chairman of Wachovia, "The secret to motivate other has really been to adhere to simple values things like honesty, fairness and generosity."³

One of the hardest things about motivating is creating challenges that stimulus the energy and interest of bright people while keeping them anchored.⁴

The research about Herzberg's Two Factor Theory confirms that both the factors (motivators and hygiene factors) are the major driving force for any organization. It is necessary to provide not only hygiene factors to avoid employee dissatisfaction, but also necessary to provide factors intrinsic to the work itself in order to satisfy employees with their jobs.⁵

One should understand that you can't change people's eccentric and even you don't control their deed most of the time. Everyone has their own motivational energy which needs to remain charged in order to motivate the individual. Manager has to find out dome of such energy and try to control it as possible. It is necessary to understand what drives your employee? What blocks their drives?

Nowadays, organizational effectiveness is very much important. Globalization put many challenges in front of industries. One of them is retention which is mainly related to work motivation. Work motivation is considered to be a major psychological variable that influences the work behaviour of the employees.

It can be defined as a complex force inspiring his/her potentialities for achievement of organizational objectives. It is something that moves person into action and continues him in the course of action enthusiastically. The result shows that motivational job situation and organizational orientation also helps in reducing the stress of the employee at moderate level.⁶

It has been observed that motivation is morale buster for the employee. The more you motivate your employees more productivity will be observed. If we put motivation in the form of formula

$$P = F (M, A, E)$$

Where P – Performance of the employee

M – Motivation

A – Ability

E – Environment

Thus motivation plays very important role in case any type of organization. It has been observed that motivation is a key for attracting and retaining the employees.⁷

²Morse Gardnier, "Why We Misread Motives" Harvard Business Review, Jan 2003, Vol.81, Issue 1, Page No. 18

³ L. M. Bekar, "Stick to Your Values", Harvard Business Review, Jan 2003, Vol. 81, Issue 1, Page No. 43

⁴ Mario Mazzola, "Ground Without Grinding", Harvard Business Review, Jan 2003, Vol.81, Issue 1, Page No. 46

⁵ Bassett-Jones, NigelLloyd, Geoffrey C., "Does Herzberg's Motivation Theory have staying power?" Journal of Management 2005, Vol. 24, Issue 10, Page No.929-943

⁶ M.P. Ganesh, "Work Motivation and Occupational Stress among Executives From Software and Manufacturing Industries: An empirical Study", The ICFAI Journal of Organizational Behavior, January 2006. Page No. 49-61

⁷ Rajendra Singh, "Pleasure at the Workplace", HRM Review September 2006 Page No. 54- 57

It has been considered that Herzberg did not value money because according to him money is not included in motivator list. But money is a basic requirement of every individual. It is a force that drives person to perform the task. Absence of money leads dissatisfaction which blocks the motivation. Hence money is good hygiene factor.

Monetary benefits not always proved to be the main factor for retaining employee.⁸

It is interesting to be noted that increase concern towards employee not only in financial terms but also in non-financial aspects (social needs) helping organization for long term relationship with the employees. It also helps to attract talented pool of employees. Non-financial needs can be fulfilled by empowerment of the employee, appreciation for individual effort and strength, allowing space for employee creativity, maintaining good relation among the organization and fulfilling their basic needs i.e. in terms of hygiene factors.

At organizational level, employee motivation is an integral part of the performance which is related to productivity of the organization. An employee who is satisfied is more productive, shows high level of enthusiasm and initiative towards the organization. Motivation is a critical aspect of leadership. It is a cause of action, which build confidence in employee to perform well. Quality leadership acts as a catalyst in providing motivation.

Managers should create such conditions by which job satisfaction could be developed for an employee. Herzberg (1987) advanced that there is the need to discourse the motivating factors associated with work, this he called job enrichment. The principle behind was that every job should be examined to determine how it could be made better and more satisfying to the person doing it. Hence, managers need to consider and include:

- Managers should provide opportunities for achievement;
- They should recognize worker's contributions;
- They should create such a work that is rewarding and that matches the skills and abilities of the employee;
- Give as much responsibility to each team member as possible;
- Provide opportunities to advance in the company through internal promotions;
- Offer training and development opportunities so that people can pursue the positions they want within the company

Currently industries are facing problem related to shortage of skilled employee. The main reason behind this is lack of motivation. The motivation drives vary from person to person. It also depends upon situation and time factor.⁹ These mismatches create a problem of motivation between manager and employees.

In today's competitive and changing Pharma environment it is challenging task to bring out best from the employees. In short, motivation has become important parameter with respect to retention and productivity of any organization. The person spend majority of his time for working in the field for organization. It is naturally expected that organization should fulfill his/her professional needs as well as social needs. From this point view it is necessary that both the needs should be fulfilled by the organization.¹⁰

Hence it is important that the organization should provide proper guidance and base to the employees for selecting their goals. Let the employee feel important about participation in achieving organizational goal which will give self-satisfaction to them. It is necessary to have balance between their personal traits and job requirement.

This gives the feeling of fulfillment toward professional life and thereby enhancing motivation level for accomplishment of final goal.

In as much as some behavioral scientists agree with Herzberg that employees are well motivated when the motivator factors are achieved, there are other schools of thought that share different opinion. Hackman and Oldham (1976) criticized Herzberg's theory by suggesting that Herzberg's original formulation of the model may have been a methodological artifact. They further explained that the theory does not consider individual differences, conversely predicting all employees will react in an identical manner to changes in motivating-hygiene factors. Furthermore, Hackman and Oldham (1976) raised the concern that Herzberg's theory did not specify how motivation and hygiene factors are to be measured.

It has been also observed that it is natural tendency of the people to take credit for satisfaction and to blame other for dissatisfaction on external factors. One satisfier factor is may cause dissatisfaction for other. That's why proper job enrichment is important.

It is necessary to mention that; job satisfaction doesn't always mean for high level of motivation or productivity. If a person can't be fully utilized, then there will be motivational problems. Though many theories of motivation have been proposed, currently organizations are looking for the way to attract and retain the pool of talent people. The Herzberg's Theory provides a direction by recognizing that true motivation come from within a person.

2.1. Nature and Scope

Understanding what motivates the people is a challenge for any organization. One of the important researchers on this topic is Fredrick Herzberg. His Two Factor Theory is useful for understanding of what motivates people. It has been observed from literature review that now-a-days motivation plays important role. It is critical aspect for any organization. Employee wants something more than that. Instead challenging work, ownership and recognition for job, good manager with leadership skills are becoming prime factors for motivation. As far as Pharma field force working is concerned job dis-satisfiers outstrip job satisfiers.

⁸ Anand Pillai, "Motivation as Key Retention Strategy in Hospitality Industry", HRM Review March 2008. Page No. 22-27

⁹ Kirit N. Naik, "Philosophy of Motivation – A Strategy to Retain Manpower", HRM Review May 2008. Page No. 44-46

¹⁰ 10. Mihir Dash, Anubha Singh and Vivekanand, "Motivation in ITES Industry: Dimensionally with reference to Herzberg Theory", The ICFAI Journal of Organizational Behavior, Vol VII No.2, 2008. Page No. 18-27

Indian Pharma needs to look again at field force motivation than simply using the outdated carrot and stick method, which has only commanded to very high attrition and sharp drop in quality of people being attracted to chase a career in pharma field sales. This study will mainly focus on shifting or deviation with respect to Herzberg’s motivational factors. The research will be conducted with due consideration of Pharma industries in Pune.

Research was based on responses collected from 4 different Pharma companies. They are as follows:

Sr. No.	Industry Type	Company Name
1	Pharma Sector	Lupin Pharma
		Novartis Pharma
		Elder Pharma
		Otsira Pharma

Table 1

The study was carried out on the basis of Herzberg’s factors of motivation i.e. Motivator factors and Hygiene factors. Questionnaire is formed based on both types of factors in order to judge awareness (objective questions - Yes /No type) about Herberg’s factors. The observations are divided into two parts – Motivator factors and Hygiene factors with associated questions.

2.2. Motivator Factors

Sr. No.	Factors	Responses	
		Yes	No
1	Achievement & Recognition (Q.11, & Q. 12)	64	36
2	Work Itself (Q.5, Q.7, Q.11)	69	31
3	Responsibility (Q.6, Q.8)	74	26
4	Advancement (Q.20)	64	36

Table 2: Motivator Factors in Pharma Industry

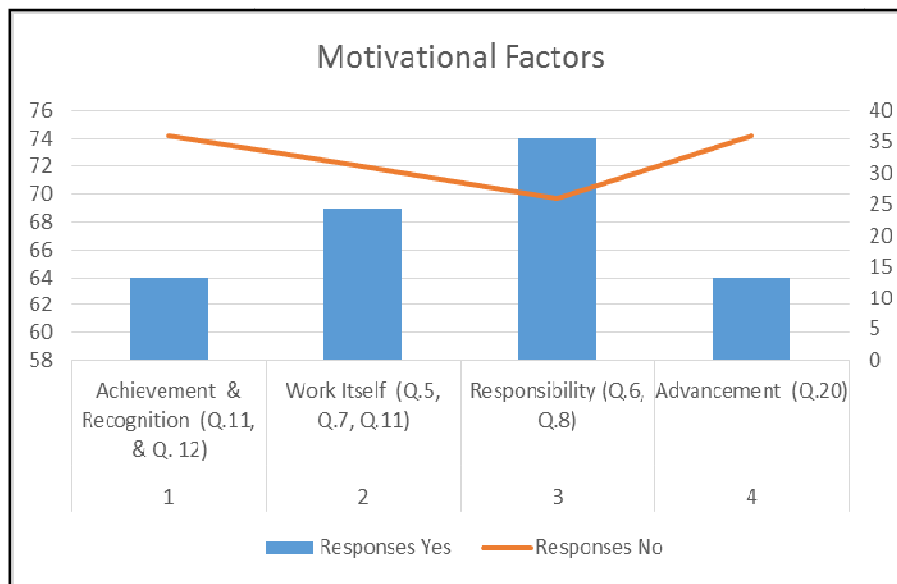


Figure 1: Motivator Factors in Pharma Industry

2.3. Hygiene Factors

Sr. No.	Factors	Responses	
		Yes	No
1	Salary or Pay (Q.3 & Q.4)	54	46
2	Company Policy (Q.18 & Q.19)	76	24
3	Work Condition or Physical Environment (Q.13 & Q.14)	24	76
4	Interpersonal Relationship (Q.16 & Q.17)	86	14
5	Supervision (Q.15)	87	13

Table 3: Hygiene Factors in Pharma Industry

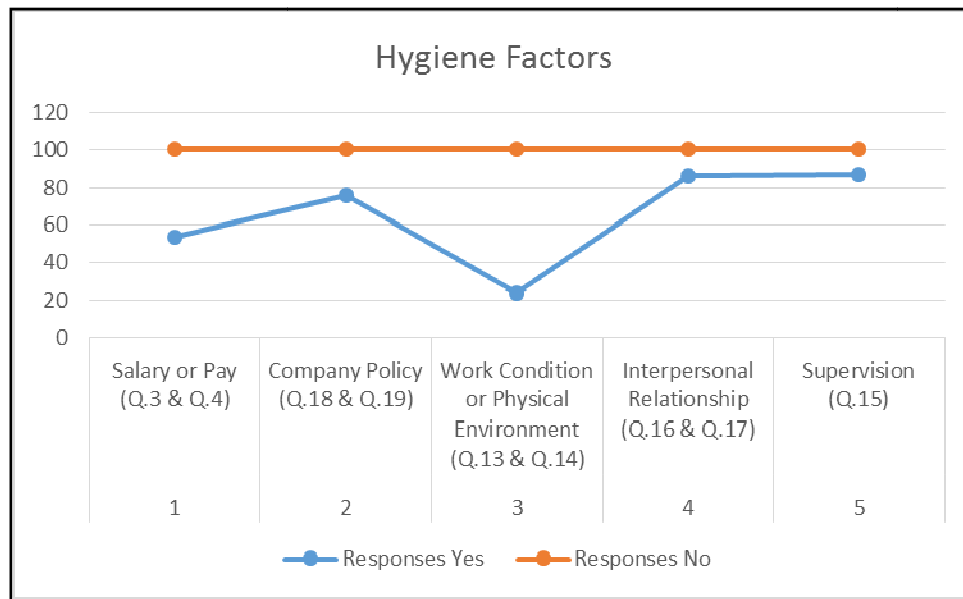


Figure 2: Hygiene Factors in Pharma Industry

2.4. Observations

1. It has been observed that in Pharma sector, there is a positive attitude towards Motivational factors. Even in manufacturing unit handling section their employees properly in terms of advancement in career, responsibilities and recognition of work.
2. Mix responses have been observed in case of Hygiene factors. There is dissatisfaction about salary, incentives and the target set by the company.
3. The interpersonal relationship is playing important role in case of Pharma sector. But awareness about working condition is not playing very important role as far as Pharma field force is concerned.
4. But proper awareness has been observed in case of company policy as Medical representatives are in direct contact with the doctors as well as patients, they need to keep themselves aware about it. Based on observation, it can be stated that, challenging task, value addition in knowledge, customer satisfaction, feedback for completion of work are becoming prime factors for meaningful job.
5. Thus research shows that there is some definite deviation from the factors identified. Some new factors are motivators as well as in hygiene factors are added by the modern working culture of Pharma sector which is based on customer satisfaction.

2.5. Hypothesis

1. Though the Frederick Herzberg's Two Factor Theory has not lost its relevance, there is a strong need for interchanging the factors listed as motivators and hygiene.
2. Salary or pay package is becoming a Motivator for Pharmaceutical companies.
3. Growth in terms of knowledge is fast becoming a factor to be added as motivator.

3. Research Methodology

3.1. Selection of Sample

Research collected and evaluated primary data from different Pharma companies. The research gathered responses (answers) based on questionnaire prepared. The responses were taken from different level of employees from the industries. Research used stratified sampling method. The sample size was 100 samples. The data was collected, tabulated and analyzed for drawing the conclusions.

3.2. Source and Collection of Data

The study was also based on secondary data which was collected from different magazine like Harvard Business Review, HRM Review, ICFAI journal and Published Research Reports by various research organizations and research institutes. This data was useful for supporting analysis which was done on the basis of primary data. It was also helpful for drawing the conclusion.

3.3. Limitations of the study

1. The research has been based on Fredrick Herzberg theory only. Other motivational theories have not been taken into consideration.
2. The study is limited to Pharmaceutical Industries in Pune only.

3.4. Findings

1. Pharmaceutical companies are investing in more improved ways to confirm that their MRs get excellence face to face time with the doctor. This is very crucial for allowing them to be able to establish personal relationships with the doctor. They do this by sponsoring conferences, etc.
2. Pharmaceutical companies are creating tools for their MRs which they can then provide to doctors to help them get more patients.
3. Many pharmaceutical company are now providing patient education DVDs free of cost to their potential doctors. They have been regularly asking the MR's to replenish their stock of DVD's. On the other hand, MRs are very happy as well, as they no longer need to wait for hours to see the doctor – he is now inviting them to his clinic! Not only does this create a lot of good will, it allows the MR. Not only does this create a lot of good will, it allows the MR to form a close personal relationship with the doctor – and this has to be music to the ears of any Marketing Head!
4. HR, MRs, Line Managers and other field representatives should combine synergistically and resolve the problem of not getting good individuals have poor communication ability, having physical constraints, etc. and help organizations to create an improved and cheerful working environment for the organization.

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Annexure - I

The term motivation is derived from the Latin word *movere*, which means move.

According to Stephen P. Robbins Motivation is “The willingness to exert high levels of effort towards organizational goals, conditioned by the effort’s ability to satisfy some individual need.”

It can be also defined as a condition that is initiated by a physiological or psychological deficiency or need in an individual, which causes the individual to behave in a certain manner in order to achieve a particular goal or incentive.

Motivation consist of three elements – Need, Drive, Goal/Incentive

Needs – A physiological/Psychological imbalance leads to create needs.

Drive – Drives or motives elevate individual to satisfy their needs or helps to achieve the goal.

Goal /Incentives – After achieving goal physiological/psychological imbalance reduces as well as strength of motive reduces.

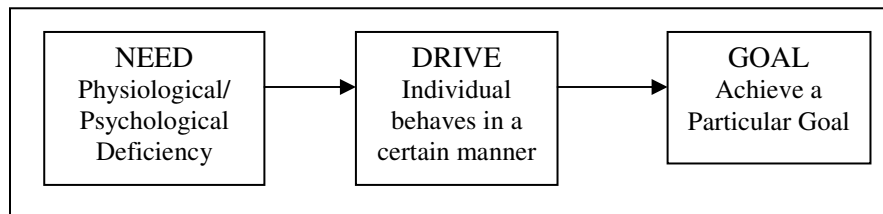


Figure 1: Elements of Motivation

Herzberg’s Two-Factor Theory of Motivation: -

Fredrerick Herzberg (1959) developed a specific content two factor theory. This theory is based on two factors that are the factors which lead to job satisfaction and the factors that lead to job dissatisfaction. First are called are Motivational factors and later are Hygiene factors. Hygiene factors serve the base level of motivation. Motivational factors help in motivating the people.

According to Herzberg’s Motivational and Hygiene factors are as follows:

Motivator Factors	Hygiene Factor
<ul style="list-style-type: none"> • Achievement • Recognition • Work Itself • Responsibility • Promotion • Growth 	<ul style="list-style-type: none"> • Pay and Benefits • Company Policy and Administration • Relationships with co-workers • Physical Environment • Supervision • Status • Job Security

Table 1

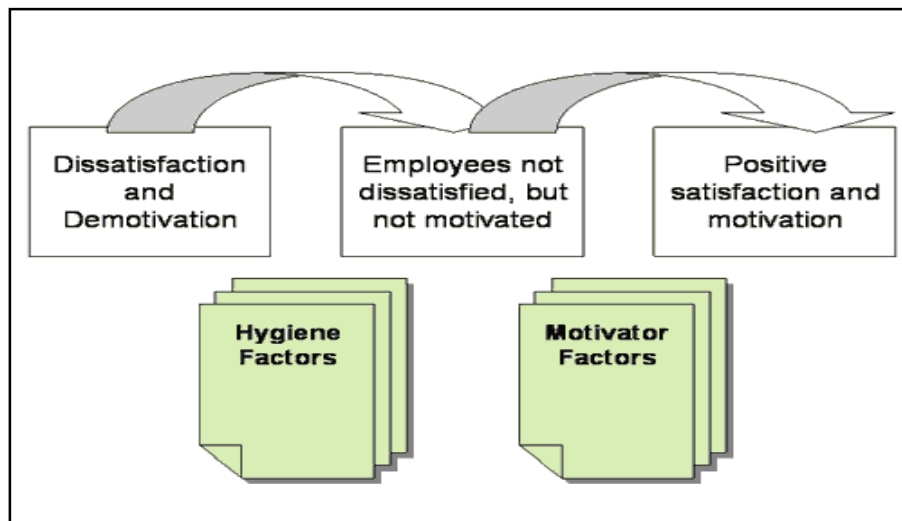


Figure 2

The psychology of motivation is very much complex. The findings related to motivation-hygiene theory by Herzberg, suggested that the factors related to motivation i.e. job satisfaction (motivator) are different related to job dissatisfaction (hygiene factors).

Opposite to job satisfaction is no job satisfaction not job dissatisfaction. Similarly, opposite to job dissatisfaction is no job satisfaction instead not job satisfaction. But when it comes to people behavior it is much more than this. The need of growth provides stimulus with respect to job content. The stimulus for job dissatisfaction lies in job environment. The term KITA (Kick in The Ass) referred by Fredrick Herzberg¹ is meat for hygiene factors. Threat or punishment provides short term success. The motivator factors determine whether satisfaction or no satisfaction is intrinsic to the job itself or not. A research carried out by Fredrick Herzberg in 1987 with sample size 1685 (Hungarian engineers and supervisor Finnish) show that motivators are main cause of job satisfaction and hygiene factors are main cause of job dissatisfaction. The study also shows that the 81% of the factors which are contributing to job satisfaction were motivator and 69% to hygiene factors.

For effective utilization of the employees, theory suggests that job enrichment is necessary for the intrinsic motivation. Job enrichment is continuous management function. Job should be enriched in such way that the employee should satisfy not only in monetary term but also with respect to job content. Adding changes or changing level of challenges, the job/task can be enriched which will utilize employee skill in fullest extent. This will enhance the performance of the employee and also provide drive for the higher pay.

Annexure - II**Questionnaire**

Name:- _____

Designation:- _____

Company Name:- _____

Note:-

1. First two questions should be answered in brief (2-3 lines)
2. For questions 3 to 20 tick either Yes or No

1. Do you feel that your job is meaningful? How?

2. When you feel good about your job? Why?

3. Do company employee feel that they are been fairly paid?
Yes ___ No ___ Can't say ___
4. Does your organization give comparable salaries with respect to the companies in Pharma Sector?
Yes ___ No ___ Can't say ___
5. Does company set clear, achievable goals for the employee?
Yes ___ No ___ Can't say ___
6. Does employee feel ownership about their job?
Yes ___ No ___ Can't say ___
7. Does employee feel that his job is important or essential to the organization?
Yes ___ No ___ Can't say ___
8. Do employees have freedom and power to carry out their task?
Yes ___ No ___ Can't say ___
9. Do supervisors give feedback (based on proper evaluation) to the employee in positive way?
Yes ___ No ___ Can't say ___
10. If company provides regular feedback to the employees?
Yes ___ No ___ Can't say ___
11. Does company recognize or acknowledge achievements of the employee?
Yes ___ No ___ Can't say ___
12. Does company have reward system to recognize employee performance?
Yes ___ No ___ Can't say ___
13. Are equipment's and facilities provided by the company adequate?
Yes ___ No ___ Can't say ___
14. Does employee have proper personal space?
Yes ___ No ___ Can't say ___
15. Do company manager /supervisors possess leadership skills?
Yes ___ No ___ Can't say ___
16. Do you observe sense of belongingness and teamwork among the employee?
Yes ___ No ___ Can't say ___
17. Does company have policies to deal with disruptive employee?
Yes ___ No ___ Can't say ___
18. Do company employees aware about company policies clearly?
Yes ___ No ___ Can't say ___
19. Are company policies updated regularly?
Yes ___ No ___ Can't say ___
20. Does company support for further education and personal growth?
Yes ___ No ___ Can't say ___