

# **REWARDS AND MOTIVATION AMONG ADMINISTRATORS OF UNIVERSITI SULTAN ZAINAL ABIDIN (UNISZA): AN EMPIRICAL STUDY**

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## **ABSTRACT**

The aim of this paper is to examine effect of rewards and employees' motivation among administrators of Universiti Sultan Zainal Abidin (UniSZA). Reward and motivation are relying upon in many countries to induce changes in higher education. One of the ways to heighten the motivation is through effective reward system. Reward prescribes two important dimensions consist of extrinsic and intrinsic. The target population was non-academic administrative management group of UniSZA. Data was drawn from a sample of 86 administrators in UniSZA. The regression result shows that reward generally have a positive effect on motivation. Specifically, the findings indicate that extrinsic reward was positively related to motivation. Intrinsic reward also found to have a positive effect on motivation. A discussion of the findings, limitations, and future research are provided.

**Keywords:** Rewards, Intrinsic Rewards, Extrinsic Rewards, Motivation and Administrators

## **1. INTRODUCTION**

Motivation refers to a basic psychological process (Tella, Ayeni & Popoola, 2007). It was a factor that became driving force on work action. According to Luthans (1998), motivation is the management process influencing behavior of knowledge on what make people think. It contributes to the process of stimulating people to act and achieve specific goals. As motivation concern, reward system is an important tool for management use as the channel of employees' motivation. Currently, the reward programs are implementing either in public or private sectors. It was clearly stated that employees' effort is increased when rewards are offered (Vroom, 1964). In reward program, large amount of money are spent. The reason behind these, hopefully it will increase employees' motivation. As pointed by Cameron and

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Pierce (2006), an effective reward system requires i) an experimental attitude; ii) continual fine-tuning of the system; iii) input from people within the system and iv) ongoing evaluation of the effectiveness of the system. Danish and Usman (2010) suggested that effective reward system leads to i) increased satisfaction for employees; ii) recognition of accomplishments; iii) a desire to attain high standards; iv) a means to achieve personal and social goals; v) high productivity and vi) feeling of competence and freedom.

Motivation, then, is a pillar in the establishment and further improvement of quality in higher education. In Malaysia, university plays a very significant and supportive role in the development of the country. Strong university administrators have enabled to propel the country to increase the development level and earned the admiration of countries around the world. The university is a large component of the national education transformation. The effectiveness of university in Malaysia is determined by the capacity, motivation, and integrity of the civil service and the quality of its leadership (National Economic Advisory Council, 2010). It shows that the government is concerned with the motivation and performance quality of its employee especially from the public sector and the higher education institution as part of the government body. In order to achieve greater success, there must be a transformation in the way things are done and the need to refocus on key strategic area (Yusof, 2007).

Encouraged by governments, higher education institutions have increasingly performance in the hope to achieve an efficiency gains. In the mean time, lack of accountability of university management to represent university boards may not be conducive to universities' fulfilling the needs of stakeholders. In this context, good management can help reduce the barriers of managerial uncertainty such as lack of institutional identity of vision and strategy, high resistance to change and absence of management staff (Conraths, 2007). For instance, in Republic of Korea, Pohang University of Science and Technology is a private university that achieved world class status over the past decade, which focuses in science and technology area. The university always had high levels of management autonomy and used performance indicators. The university also has developed its collaboration with many companies in the electronics and mechanics sector (Grubb et al., 2006). It means that, the effort to increase university performance not only rely on government alone, it also lies with all university stakeholder consists of administration, academician and students.

UniSZA is one of the public higher education institutions in Malaysia. The management of UniSZA has put the interest on the development of human capital especially their administrators in preparation to accomplish the mission to become a world class university. The challenge for administrators in UniSZA is providing high quality services. High motivation is also related with achieving the quality, quantity, cooperation, dependability and creativity. The top management usually expects administrators to follow the rules and regulations, and perform the task assigned to them according to the standard set for them.

However, administrators expect good working conditions, fair pay, fair treatment, secure career, power and involvement in decision making (Khan, Farooq & Ullah, 2010). Since the expectations are vary between top management and administrators, it is important to understand what motivates the administrators, what factors influence motivation and which

rewards influence motivation in order to enhance university performance (Beer et al., 1984). Thus, this research aims to fill the research gap by analyzing the effect of rewards on motivation among administrators' staff of UniSZA.

The main objective of this study is to examine the effect of rewards on motivation among administrators' staff of University Sultan Zainal Abidin, Kuala Terengganu. More specific objectives were:

- (i) To examine the effect of intrinsic reward on motivation among administrators' staff of UniSZA.
- (ii) To examine the effect of extrinsic reward on motivation among administrators' staff of UniSZA.
- (iii) To propose the best predictor variable of motivation among administrators staff in UniSZA.

Based on the objectives stated above, this study is structured as follows: First, a summary of literature on the concept of motivation and reward is thoroughly discussed. Second, the proposed conceptual framework is highlighted. Third, the methodology and sample are both described and finally the conclusion is provided by summarizing the avenues for findings.

## **2. LITERATURE REVIEW**

### ***2.1. Underlying Theory of motivation***

Maslow's theory is the most known theory of motivation. There were five levels of needs in Maslow's theory. According to Maslow (1943), there are the needs of human to be fulfilled and motivate them to perform in their work. Maslow stated that human needs were determined by hierarchy ascending from the lowest to the highest. It consist of i) Physiological Needs, ii) Safety Needs, iii) Social Needs, iv) Esteem Needs and v) Self-actualization Needs. The basic needs of Maslow's theory were physiological and safety needs. For example of the basic needs are food, water, warmth, rest, security and safety. Esteem and social needs were categorized under psychological needs such as intimate relationships with friends and family, prestige and feeling of accomplishment. Self-fulfillment needs consist of self-actualization such as achieving one's full potential, including creative activities.

Besides Maslow's theory, there is a modification to make it most suitable to be used. Herzberg's theory was modified from Maslow's theory. Herzberg's theory also known as Hygiene theory, beside extrinsic factor such as monetary rewards, intrinsic factors had emphasizes in this theory. Intrinsic factors related to the job satisfaction, however, extrinsic factors related to the dissatisfaction. In order to be the highest level of job performance, Herzberg's motivators are the factors that contribute towards it. The theory integrate of the work itself and it include factors such as work content, payment, promotion, recognition, working condition, benefit, personal, leadership and general. According to Nel et al., (2001) the organizations should focus and give more attention to hygiene factors before introducing motivators in workplace.

Behavior and attitude of employees can be explained by theories of motivation (Rowley, 1996; Weaver, 1998). Individual needs which motivate employees' action were become essential in content theories (Hong & Waheed, 2011).

In the other hand, there were hygiene factors that associated with negative feeling about the job satisfaction such as company policy, technical supervision, working environment, salary and relationship with colleagues (Kim, 2006). The negative feeling of employees will be suffered to the organizations. They were less motivated and lack of good performance which these factors affect the organizational performances. In contrast, factor that relate to the job motivation were intrinsic factor (Herzberg, Mausner & Snyderman, 1959). The main focus of this paper, however, is on Herzberg's theory of motivation. The touch of management job context factors such as policy, supervision, work conditions, relationship with peers, salary, personal life, relationship with subordinates, status, and job security (Ruthankoon & Ogunlana, 2003) become reasons of the Herzberg's theory of motivation is selected in this study. Besides, the theory is most widely known, applied and discussed (Badrinarayan & Tilekar, 2011).

## **2.2. Motivation**

### **2.2.1 Definition of motivation**

The word motivates which mean to move or persuade to act and satisfy specific achievement is a motivation (Butkus & Green, 1999). According to Shafiq, Mariam and Raza (2011), the word motivation means to move and it derived from Latin word. Motivation is a process of individual to put an effort in order to achieve the goals. There were different between movement and motivation. Differentiation explained by Mol (1992) stated that movement as carrying out task to be compensated or paid. However, motivation is involvement of voluntary to do a task given.

Force of endogenous behavior to achieve specific goals was the motivation process which defined by Baron (1983). The motivation could influence job performance and performance could influence motivation as well. As pointed by Page (2008), an individual intensity, direction and persistence of effort toward attain a goal are become motivation in non-monetary perspective. It is important to have a motivation in order to achieve individual and organizational goal. It gives strength to the employees to finish their work on time and satisfy with what they do.

Further, Graham and Weiner (1996) defined motivation as behavior and how people think that reflect to an action. According to Chowdhury (2007), motivation is a progress of move and support the goal achievement behavior. Bedeian (1993) described motivation as internal drives to satisfy an unsatisfied need of accomplishment. It is an internal strength that forces individuals to be successful and meet the organizational objectives.

### **2.2.2 Determinants of motivation**

In today's world, the challenge to manage public higher education has become the focus of considerable attention (Sav, 2010). According to Balachandar, Panchanatham and

Subramanian (2010) management literature has identified a number of variables that affect employee motivation. Employees can be motivated by recognition, job security, authority, economic reward, and training (Tripathi, 2002). If the implementation of these factors meets the employees' expectation, perhaps, employees will be satisfied and increase their work performance.

Further, Singh (2005) discovered that beside financial and non-financial reward, job situation was also affect motivation in the organization. In the study, place, environment, culture and climate represent job situation. The result revealed that there was positive relationship between job situation and motivation. The issues that give impact on motivation of an academic staff in higher education has been identify by Rowley (1996). Regarding Herzberg's theory of motivation and hygiene factors, the dissatisfaction that prevent staff from doing an excellent job because of poor timetable organization, lack of attention on educational equipments and too many demands on their time. Therefore, the motivation of staff will affect due to the poor circumstances.

Leadership and motivation are active processes (Baldoni, 2005). Leadership is one of the factors of motivation. Theories imply that leader and followers raise one another to higher levels of morality and motivation (Rukmani et al., 2010). Leadership is about getting things done the right way, influence and motivates the followers and makes them trust a leader. In order to fill in a follower trust, a leader should emphasize on integrity of work. Thus, the way of leader treated followers increasingly determines whether organization will prosper or even survive (Lawler, 2003).

Mani (2002) surveyed on performance appraisal systems, productivity and motivation among administration staff in East Carolina University and found that recognition and good pay were the most effective motivators. It shows that appreciation and salary were important in the university. Milliken (1996) suggested that job security, appraisal system and training in problem solving were the other ways to motivate and retain employees.

Currently, organizations use several types of rewards such as payment, promotion and bonus in order to encourage high level of motivation and performance of employees (Reena & Ahmed, 2009). Rewards become important tools to ensure high performance of organization by influencing individual or group behavior. According to Tella et al. (2007), if salaries become a motivator, the top management must consider the structures of salary which should consist of payment according to performance, allowances, fringe benefits and pensions. It must be fair and transparent to each employee based on their work performance. Hopefully, rewards help the firm's effectiveness and having loyalty workers.

### **2.3. Reward**

#### **2.3.1 Definition of reward**

Reward can be defined as injection effort of employees to perform in their work. Most effective reward was the organizational rewards where if they are introduced, it become identification strong to the organization (Rys, 2007). The strong of identification occur when

interests of employees were highly similar to interests of the organization in which they work (Kankanhalli, Tan & Wei, 2005). Reward defined by Minden (1982) as any strengthened behavior followed by a positive reinforce. Reward refers as the total amount of monetary and non-monetary and benefits provided to an employee by an employer in return for work performed as required and as part of an employment relationship (Armstrong & Murlis, 2007; Milkovich, Newman & Gerhart, 2010).

According to Lawler (2003), the reward system motivates employees to perform through highest valued and equivalent rewards. Employers should provide them clear duty instruction, give them authority to influence their performance and deliver on quality output. The basic needs of human such as survival and security must be satisfied in order to achieve high performance (Roberts, 2005). Organization should portion the rewards in a fair and equitable manner. The rewards must be valued to employees; otherwise, the reward system will not motivate them and will reduce their job performance.

### **2.3.2 Types of reward**

Rewards can be classified either extrinsic or intrinsic (Shanks, 2007). Extrinsic reward comes from external and it is tangible in order to appreciate the task performed by employee. It can be salary, incentives, promotions, bonuses, payments and job security. However, intrinsic reward is intangible reward and it comes from internal. It can be appreciation, caring, new challenges meet and job rotation after attaining certain goals (Hafiza et al., 2011).

Salary, bonus and allowance were three major features in extrinsic rewards (Lowery et al., 2002; Tang, 2007; Young, 1999). Salary is defines as base pay to employees either daily, weekly, monthly or yearly basis according to their job structure (Henderson, 2006; Young, 1999). For example, salary will be paid based on qualification and work experience. Cash payment that receives by employees based on their performance was called as bonus. For example by achieving the targets sales, marketing executive was received monetary incentive (Bloom & Milkovich, 1998; Gupta & Shaw, 1998; Lowery *et al.*, 2002). Organizations provide rewards system to encourage their employees deliver good job performance. Therefore, effective rewards system may assist organization achieve the goals and increase in performance.

Intrinsic reward concerns with psychological development of employees (Williamson, Burnett & Bartol, 2009). It is intangible benefit and includes the characteristics such as autonomy, feedback and decision making participation (Hackman & Oldham, 1976). The intrinsic reward system created purposely to appreciate employees in form of self-esteem and related to their feeling of achievement and growth with organization. Employees are feel satisfy when they have accomplished something worth in work and orally appreciated by the organization. This is example for intrinsic reward that could be used in practice.

### **2.4. Relationship between reward and motivation**

Concerning the intrinsic rewards of motivation, the study on comparing the impact of financial and non-financial rewards towards organizational motivation by Zani et al. (2011) found that the best way to motivate employees is to use non-financial incentive. It believed to have a

significant intrinsic value to employees. This is supported by the study of Nandanwar, Surnis and Nandanwar (2010) found that non-monetary rewards positively associate with employees motivation. A survey of IT professional in United State of America found that most of the employees satisfied with intrinsic factors such as intellectual new challenge, creative problem solving and pride in their accomplishment (Pawlowski, Datta & Houston, 2005). In contrast, Hafiza et al. (2011) found that there was insignificant relationship between rewards and employee motivation. The factor of intrinsic rewards is less applicable in organization to increase the work motivation.

The study on higher education institution by Ramdhani (2008) found that there was positively significant relationship between motivation and perceived productivity among academician and support staff in South Africa University. Further, Markham (2009) investigated the relationship between perceptions of motivation and job satisfaction among information technology professionals at Institution of Higher Education in Mississippi. The result revealed that motivation highly influence job satisfaction. Choong et al. (2011) study on motivation among academicians from four Malaysian Private Universities found that motivation is significantly correlated with the three components of commitment namely; affective, continuance and normative commitment. Chindanya (2002) study on motivating professional staff as a managerial task at a higher education institution in Zimbabwe postulated that personal growth and responsibility having a positive impact on staff motivation.

Using a sample of 334 academician, Ismail (2007) study on rewards and job satisfaction within Malaysian Institutions of Higher Education revealed that monetary rewards insignificantly correlated with job satisfaction. A research study conducted by Chen, et al. (2006) used expectancy theory to examine key factors that motivate business faculty to conduct research. The survey results, from 320 faculty members at 10 business schools in United State of America, shows that the faculty members who are not in permanent status tend to be motivated by extrinsic rewards, while permanent faculty members tends to be intrinsically motivated with respect to conducting research.

According to Paarsch and Shearer (2000), there was a positive relationship between work outcomes, public employees' motivation and performance-related pay designs. Wright (2007) found that there was positive association between extrinsic rewards and organizational performance. There was positive relationship between rewards and employee motivation among staffs in Commercial Banks, Pakistan (Khan et al., 2010). The result shows that to be a higher level of motivation, the organization should put better rewards. The reward is directly proportion to the motivation of employees.

Further, Hafiza et al. (2011) revealed that there was a positive relationship between extrinsic rewards and employee motivation in non-profit organization of Pakistan. In contrast, there was insignificant relationship between extrinsic rewards and employee motivation in non-profit organization of Australia (Tippet & Kluvers, 2009). This is consistent with Deci, Koestner and Ryan (1999) which found that the extrinsic rewards had a significant negative effect on intrinsic motivation.

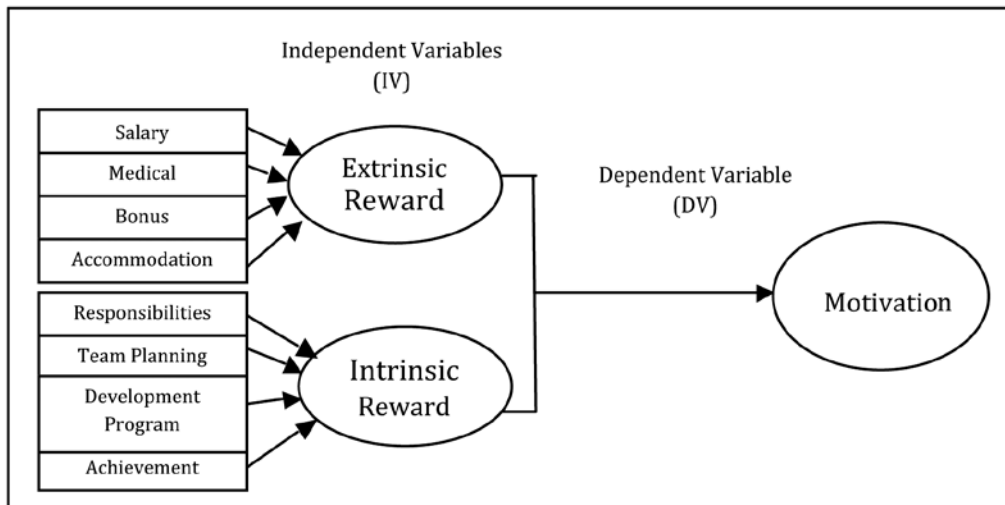
Another study performed by Baer, Oldham and Cummings (2003) showed that extrinsic rewards were positive for employees occupying simple tasks and negative for employees facing jobs that were complicated and challenging. A survey also shows that the employees were satisfied with extrinsic factors, for instance, working environment, their co-workers and the professional work climate, benefits, job securities and work hours (Pawlowski et al., 2005).

Reviewing previous studies on relationship between reward and motivation has lead to a conclusion that a positive relationship between reward and motivation do exist. Extrinsic and intrinsic reward are become crucial in motivate employees to do their work accordingly. However, there is a lack of study regarding reward and motivation among administrators in higher education institution in Malaysia (Choong et al., 2011). Reward and motivation of administrators should come together in develop, sustain and create high achievement of performance in order to attain university's goals. Thus, this study intends to add up to the pool and close the gaps by investigate the effect of reward on motivation among administrators in a higher education institution.

### 2.5. Theoretical framework and hypothesis

The independent variables in the study were rewards that consist of extrinsic and intrinsic. The dependent variable was motivation. The framework of the study was shown in Figure 1.

**Figure 1:** Conceptual framework of the rewards and motivation



The following hypotheses are formulated based on the review of literatures. We hypothesized that:

- H1: There is a positive relationship between extrinsic reward and motivation
- H2: There is a positive relationship between intrinsic reward and motivation



### 3. METHODOLOGY

Since UniSZA change the highest administrator, this study would like to know the status of motivation among administrators in a correct manner. The research design uses a primary data where structured questionnaires will be asked to respondents. For the purpose of this study, the questionnaires consist of three sections. First section of motivation questions was adapted from De Beer (1987) incorporates of Herzberg's two-factor theory. The second section of questionnaire was adapted from Nawab et al. (2011). It was designed to measure rewards as independent variables comprised of two dimensions which are (i) extrinsic reward and (ii) intrinsic reward. The third section of questionnaire comprises items seeking respondent's information. Each statement in section one and section two were measured on a seven-point Likert-type-scale, ranging from 1=strongly disagree to 7= strongly agree.

The population of this research was 133 non-academic administrative management staffs of UniSZA. It includes of permanent and contract staffs that work either in City Campus or Gong Badak Campus. The management group was composed of N41 category includes of assistant registrar, librarians, treasurer officers, IT officers, science officers and audit officers.

According to Roscoe's (1975) rules, he proposes the following rules of thumb for determining sample size: A sample size which is larger than 30 and less than 500 is appropriate for most research. The questionnaires were sent in April to May 2012 and delivered to administrators of UniSZA. There were 86 useable questionnaires returned and representing a response rate of 64.6 percent. Thus, the returnable questionnaire is sufficient for this study (Sekaran & Bougie, 2010).

Complete questionnaires were examined by the researcher. Data coded and entered into the computer to be processed using the SPSS. For each variables of interest in this study, descriptive data was analyzed in the form of frequencies and measures of central tendency appropriate for the type of data. Reliability analysis was used to estimates the stability of measures and internal consistency of measurement instruments. In addition, multiple linear regression was used to analyze the effect between the two independent variables on an independent variable in the study.

### 4. RESEARCH FINDINGS

There were four types of questions in the questionnaire consist of 3 demographic questions, 33 questions on motivation, 11 questions on extrinsic reward and 10 questions on intrinsic reward. The motivation and reward questions were coded with 7-point Likert scales, where 1 represents "Strongly Disagree" and 7 represents "Strongly Agree".

**Table 1:** Respondents' profile

<b>Variable</b>	<b>Frequency</b>	<b>Percent</b>
<b><i>Gender</i></b>		
Male	40	46.5
Female	46	53.5
<b><i>Position</i></b>		
Assistant Registrar	38	44.2
Bursar Officer	5	5.8
Librarian	9	10.5
Science Officer	17	19.8
IT Officer	4	4.7
Auditor	1	1.2
Security Officer	2	2.3
Engineer	1	1.2
Psychology Officer	4	4.7
Sport Officer	3	3.5
Designer	2	2.3
<b><i>Faculty/Department</i></b>		
Faculty of Languages and Communication	1	1.2
Faculty of Informatics	1	1.2
Faculty of Islamic Contemporary Studies	2	3.5
Faculty of Business Management and Accountancy	1	1.2
Faculty of Agriculture and Biotechnology	10	11.6
Faculty of Medicine and Health Science	5	5.8
Faculty of Innovative Design and Technology	2	2.3
Faculty of Law and International Relations	1	1.2
Faculty of Food Technology	4	4.7
Academic Management	6	7
Registrars Department	10	11.6
Corporate Communications Unit	2	2.3
Bursary Department	5	5.8
Library Department	10	11.6
Information Technology Centre	5	5.8
Security Department	2	2.3
Quality Control Unit	1	1.2
Development and Maintenance Department	1	1.2
Extension and Community Service Centre	1	1.2
Student Affairs and Alumni Department	9	10.5
Sport Centre	3	3.5
Internal Audit Unit	1	1.2
Industrial Training Unit	1	1.2
Academic Development Centre	1	1.2

The profile of participating administrators is shown in Table 1. Out of the 86 respondents in this study, 53.5% were female while 46.5% were male. With regard to respondent's position, the highest response rate were Assistant Registrar (44.2%), the moderate response rate were Science Officer (19.8%) and the lowest response rate were Auditor (1.2%) and Engineer (1.2%). In terms of faculty or department, highest responses rate were Faculty of Agriculture and Biotechnology, Registrars Department and Library Department which carry of 11.6% respectively. The moderate response rate were Faculty of Medicine and Health Science (5.8%) and the lowest response rate were Faculty of Languages and Communication, Faculty of Informatics, Faculty of Business Management and Accountancy, Faculty of Law and International Relations, Quality Control Unit, Development and Maintenance Department, Extension and Community Service Centre, Internal Audit Unit, Industrial Training Unit and Academic Development Centre (1.2%) respectively.

**Table 2:** Level of motivation

<b>Motivation</b>	<b>Number</b>	<b>%</b>
Low (1.00 - 3.00)	0	0
Moderate (3.01 - 5.00)	9	10.5
High (5.01 - 7.00)	77	89.5
<b>Total</b>	<b>86</b>	<b>100</b>

The level of motivation is shown in Table 2, more than half of respondents expressed high level of motivation, showing a percentage of 89.5%. This was followed by 10.5% on moderate level of motivation. There was 0% on low level of motivation.

**Table 3:** Level of extrinsic reward

<b>Extrinsic Reward</b>	<b>Number</b>	<b>%</b>
Low (1.00 - 3.00)	3	3.5
Moderate (3.01 - 5.00)	14	16.3
High (5.01 - 7.00)	69	80.2
<b>Total</b>	<b>86</b>	<b>100</b>

As shown in Table 3, the most respondents expressed at high level (80.2%) and 16.3% on moderate level of extrinsic reward. There were only 3.5% on low level of extrinsic reward. The finding revealed that majority of the respondents was at high level of extrinsic reward.

**Table 4:** Level of intrinsic reward

Intrinsic Reward	Number	%
Low (1.00 - 3.00)	1	1.2
Moderate (3.01 - 5.00)	9	10.5
High (5.01 - 7.00)	76	88.3
<b>Total</b>	<b>86</b>	<b>100</b>

As shown in Table 4, majority of respondents (88.3%) expressed high level of intrinsic reward. Subsequently, 10.5% of respondents were on moderate level of intrinsic reward. The only 1.2% of respondents was at low level of intrinsic reward. The finding indicated that majority of the respondents was at high level of intrinsic reward.

**Table 5:** Results of the factor analysis

Variables	Components	
	1	2
The salary provided is satisfactory	<b>0.869</b>	-0.142
I satisfy with my bonus payment	<b>0.822</b>	-0.350
I am happy with the medical facilities	<b>0.780</b>	-0.070
I feel the bonus given are fair	<b>0.768</b>	-0.217
I am satisfy with the medical policy	<b>0.756</b>	-0.119
The organization offered accommodation allowance according to my position	<b>0.741</b>	-0.202
My salary fulfilling the basic necessities	<b>0.720</b>	-0.023
I received bonus according to my experience and skills	<b>0.695</b>	-0.442
The policy of organization paid the accommodation rent is satisfactory	<b>0.667</b>	-0.046
Team planning activities are running in the organization is good enough	<b>0.569</b>	0.232
My supervisor praise me when I increase good job performance	<b>0.557</b>	0.018
I am happy if organization provide development program in monthly basis	<b>0.556</b>	0.332
I am satisfy if the organization include low level employees in decision making	<b>0.477</b>	0.257
If my organization achieve something worth, I feel it to be an achievement for my self too	0.447	<b>0.572</b>
I can finish my tasks in the period given	-0.072	<b>0.571</b>
My work contribute long term benefits to organization	0.253	<b>0.492</b>
I have been given the authority to carry out my work	0.432	<b>0.455</b>
Eigenvalue	9.01	2.06
Variance Explain (%)	42.92	9.80

**Notes:** KMO = 0.823, Varimax Rotation, Principle Component Factoring

The result of factor analysis is shown in Table 5 revealed that the variables with factor loadings of 0.40 or more were retained. Results shows that the KMO measure of sampling adequacy at 0.823, which indicating that the items were strongly interrelated and they were shared common factors. Results of the Varimax rotated analysis indicated two significant components with eigenvalues 9.01 and 2.06 that explained 42.92% and 9.80% of the total variances respectively, which made total percentage of variance explained for reward was 52.7%. According to Hair et. al., (2010), eigenvalues in factor analysis is greater than one considered as significant.

**Table 6:** Descriptive and reliability statistics of the factors

Mean rank	Constructs	No. of items remain	Items dropped	Cronbach's alpha	Mean	Std. Dev.	N
	Motivation	33	-	0.894	5.65	0.583	86
1	Extrinsic reward	11	-	0.939	5.58	1.036	86
2	Intrinsic reward	10	-	0.799	5.66	0.714	86

As shown in Table 6, both the dependent and two independent factors retained had Cronbach's alpha. Cronbach's alpha for extrinsic reward was 0.939, followed by intrinsic reward, 0.799 and motivation was 0.894, all the values were higher than 0.70, as suggested by Nunnally (1978).

**Table 7:** Result of regression analysis: extrinsic reward, intrinsic reward and motivation

Model	Unstandardized coefficients		Standardized coefficient		
	B	Std. Error	Beta	T	Sig.
(Constant)	1.970	0.264		7.463	.0001
Extrinsic reward	0.281	0.040	0.499	7.010	.0001
Intrinsic rewards	0.373	0.058	0.456	6.607	.0001

*Notes:*  $R = 0.858$ ,  $R^2 = 0.736$ , Adjusted  $R^2 = 0.729$ ;  $F(2, 115.416) = 10.637$ ,  $p = 0.0001$

From the result, Table 7, the  $R^2$  is 0.736 which means that 73.6% of the variation in the motivation can be explained by extrinsic reward and intrinsic reward. The results also show that extrinsic reward ( $\beta=0.4999$ ,  $p=.000<0.05$ ) and intrinsic reward ( $\beta=0.456$ ,  $p=.000<0.05$ ) has a significant and positive effect on motivation. It suggested that one standard deviation increased in extrinsic reward is followed by 0.499 standard deviation increased in motivation. It also suggested that one standard deviation increased in intrinsic reward is followed by 0.456 standard deviation increased in motivation. Thus, all hypotheses H1 and H2 are supported. The significant relationship among reward dimensions and motivation have been expected.

**Table 8:** Result of regression analysis: extrinsic reward and motivation

Model	Unstandardized coefficients		Standardized coefficient		
	B	Std. Error	Beta	T	Sig.
(Constant)	3.206	0.219		14.648	.0001
Extrinsic reward	0.438	0.039	0.778	11.336	.0001

Notes:  $R = 0.778$ ,  $R^2 = 0.605$ , Adjusted  $R^2 = 0.600$ ;  $F(1, 128.509) = 17.490$ ,  $p = 0.0001$

A shown in Table 8, the  $R^2$  is 0.605 which means that 60.5% of the variation in the motivation can be explained by extrinsic reward. The results also show that extrinsic reward ( $\beta=0.778$ ,  $p=.000<0.05$ ) has a significant and positive effect on motivation. It suggested that one standard deviation increased in extrinsic reward is followed by 0.778 standard deviation increased in motivation. Thus, significant relationship between extrinsic reward and motivation has been expected.

**Table 9:** Result of regression analysis: intrinsic reward and motivation

Model	Unstandardized coefficients		Standardized coefficient		
	B	Std. Error	Beta	T	Sig.
(Constant)	2.129	0.33		6.455	.0001
Intrinsic reward	0.622	0.058	0.761	10.747	.0001

Notes:  $R = 0.761$ ,  $R^2 = 0.579$ , Adjusted  $R^2 = 0.574$ ;  $F(1, 115.504) = 16.745$ ,  $p = 0.0001$

A shown in Table 9, the  $R^2$  is 0.579 which means that 57.9% of the variation in the motivation can be explained by intrinsic reward. The results also show that intrinsic reward ( $\beta=0.761$ ,  $p=.000<0.05$ ) has a significant and positive effect on motivation. It suggested that one standard deviation increased in intrinsic reward is followed by 0.761 standard deviation increased in motivation. Thus, significant relationship between intrinsic reward and motivation has been expected.

In order to fulfill the third objective in this study, the percentage of variance in motivation was explained by extrinsic and intrinsic reward would be the criteria. There were 60.5% of the variation in the motivation can be explained by extrinsic reward and 57.9% of the variation in the motivation can be explained by intrinsic reward. Referring to the percentage of variance in this study, extrinsic reward has higher impact on motivation as compared to intrinsic reward.

**Table 10:** Average score of rewards based on gender

<b>Variables</b>	<b>Male</b>	<b>Female</b>	<b>t-value</b>	<b>Sig.</b>
Extrinsic reward	5.45	5.68	1.025	0.308
Intrinsic reward	5.62	5.69	0.474	0.637

Male and female may differ in terms of their reward interest. This study utilizes a t-test on the average score of reward dimensions. The result indicated that there is no significant difference between male and female. This is shown in Table 9. It means, male and female almost have similar perception on reward.

## 5. DISCUSSION

The administrators of UniZA do appear to be motivated by both extrinsic and intrinsic rewards. The study revealed that most of the respondents expressed at high level (89.5%) of motivation. About 80.2% of respondents were high level of extrinsic reward and more than half (88.3%) of respondents expressed high level of intrinsic reward. This result entailed that extrinsic and intrinsic reward and motivation were important aspects among administrators of UniSZA.

Based on the factor analysis was done, it is found that the information on extrinsic rewards was interrelated and they shared common factors and explained 42.92% of the total variances. Furthermore, the result indicated in this study affirmed that the reliability of measure for extrinsic reward is exceeding above the minimum acceptable reliability with Cronbach's alpha 0.939. The reliability of measure for intrinsic reward is exceeding above the minimum acceptable reliability with Cronbach's alpha 0.799.

The statistical results obtained in this study showed that rewards have a significant positive impact on motivation. This result entailed that when university has higher implementation of reward, it will advances the growth of employees' motivation. Based on the result of this study, efforts taken to improve reward system in the university will be useful in enhancing the motivation of employees. Therefore, the results support Ismail (2007) and Chen, et al. (2006) who observed that the motivation was influenced by rewards among staffs in higher education institution. The results of this study suggest that higher level of motivation and the capability to provide better reward will lead to a greater university performance.

### 5.1. Limitations of Study

This study was conducted based on reward and motivation perception among administrators in UniSZA. They consist of of the assistant registrar, librarians, bursar officers, IT officers, science officers and audit officers, security officers, engineer, psychology officer, sport officer and designer. They are from the N41 category group. Any findings, discussions or conclusions might be irrelevant to any other organizations except for the UniSZA. Sample size is only

86 out of 103. Perhaps if the sample is at least 100, then it will be more appropriate to make generalizations and inferences. This study is also unable to provide empirical evidence that UniSZA which applied the motivation framework in practice is better in terms of performance of work as compared with the other organizations.

## **5.2. Future Research**

Based on limitations of study, future researchers on similar topic are recommended to make an improvement in certain area. First of all, there is a need to investigate the various higher education institutes and other organizations performance after them applying motivation framework in practice. The further research should include all employees in the organizations so that the findings are more meaningful. The future research may also think other variables that can be factors to the motivation. The future researchers may add more sample size for both either primary or secondary data in order to make better conclusions.

## **6. CONCLUSION**

As a conclusion, this study provides an initial attempt to identify the motivation of administrators in UniSZA. The result found that the better rewards provided by university will give a higher motivation to the administrators. The university should focus both on extrinsic rewards (salary, medical, bonus and accommodation) and intrinsic rewards (responsibilities, team planning, development program and achievement). As a result, efforts taken to enhance reward system in the university will be useful in enhancing the motivation and work performance. In another word, the higher level of implementation of reward system, the higher level of employees' motivation towards their tasks. This will be brought the long term loyalty to the administrators in performing their duty in work.

## **ACKNOWLEDGEMENT**

We would like to express the deepest appreciation to administrators of all faculty and department in UniSZA that participate in this study. We also place on record, our sense of gratitude to one and all who directly or indirectly, have lent their helping hand in this venture.



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