

Examining the Impact of Intrinsic and Extrinsic Motivational Factors on Employee Performance in Remote Work Environments: A Descriptive Study

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Abstract- In a time of digital revolution, where remote work is the standard rather than the exception, it is critical to comprehend the complex relationship that exists between remote worker motivation and output. This study undertakes a thorough investigation, digging deeply into the complex interactions between inner and extrinsic motivators that shape the productive environment in remote work settings. This study aims to reveal the factors that actually motivate employees to perform well in remote work environments, as businesses around the world struggle to optimise their policies on remote work. By using a careful mixed-methods approach that combines qualitative interviews with quantitative surveys, this study sheds light on the complex dynamics of motivation. The impact of extrinsic motivators, which include financial rewards, recognition, and advantages, is carefully examined in relation to intrinsic motivators, which include job satisfaction, self-fulfilment, and a feeling of purpose. Additionally, this study examines the impact that communication tactics and leadership styles have on the productivity and motivation of remote teams, as well as the critical role that technology and digital platforms play in creating a positive virtual work environment. It explores how remote workers manage their well-being and how it affects their job engagement, pondering the fine line between work and personal obligations. Additionally, the study examines the efficacy of online training courses and skill-building projects, revealing how they affect motivation and productivity.

Keywords: *Employee Motivation, Performance, Intrinsic and Extrinsic factors, Leadership and Remote work environment*

INTRODUCTION

The typical office cubicle has given way to a digital world where boundaries are hazy and workspaces transcend the boundaries of physical locations in the ever-changing landscape of modern employment.

Once the exception, remote work is now the norm in modern professional life, changing the fundamental way that we view and do work. This shift, brought about by developments in technology and worldwide events, has raised a crucial topic that is being discussed in boardrooms and home offices alike: What drives workers in these virtual hallways, and how does that drive affect their output?. Organisations are faced with the challenge of interpreting the complex web of employee motivation and performance in the virtual environment as the world grows more interconnected. This complex problem is based on the contrast between intrinsic drivers—those that come from within, like passion for one's work—and external motivators, like material rewards and praise. Comprehending these drivers is not only an academic endeavour but also a pragmatic prerequisite for companies looking to develop motivated, effective, and contented remote workers. This study aims to analyse the factors that drive motivation among remote workers and shed light on how these motivations correspond with concrete performance results through a combination of quantitative analysis and qualitative investigation. a study's exploration of an unexplored area not only enhances scholarly debate but also provides organisations with practical insights that help them create environments that foster motivation and performance, even in the virtual world. This study essentially acts as a lighthouse, shedding light on the way to a future in which highly productive, inspired, and motivated remote teams completely transform the nature of contemporary work.

REVIEW OF LITERATURE

Organisations view motivation as a process that encourages workers to take action in order to

accomplish organisational objectives. (Prasetyani et al., 2021). It is the process of encouraging others to conduct appropriately in order to accomplish their objectives. (Liu et al., 2021). There are two main forms of employee motivation: extrinsic and intrinsic. Triswanto and Yunita (2021) from their research it was established comparable findings, indicating that employee productivity is positively and significantly impacted by both intrinsic and extrinsic motivation. Workplace conditions might be the source of extrinsic drive, while intrinsic motivation comes from within and pushes someone to reach new heights Yang and Ai (2020). Employees who receive good compensation believe that the company values them. An employee will work as hard as possible to meet his or her goals if their boss looks out for them and gives them recognition for their efforts (Mazllami, 2020). Employee morale is lowered in the absence of an incentive and rewards system. (Jeni, Mutsuddi, & Das, 2020). The word "motivation," which is frequently used, is derived from the word "motive" and has various connotations, including a person's needs, wants, drives, and desires. (Badura et al., 2020). Extrinsic and intrinsic motivation are the two basic categories into which employee motivation falls. motivation is the perfect technique in order to attain employees' superior performance at work, which leads to organisational success, Nyinyimbe (2020), Maslow (1943) distinguished various elements influencing human motivation in his "Human Motivation" hypothesis. Physiological, safety, social recognition, self-esteem, and self-actualization requirements were the categories he used to group those aspects. Thus, from an organisational standpoint, HR managers need to create and implement a variety of motivational techniques in order to positively address the various demands of their employees at work (Gift & Obindah, 2020). Aizza et al. (2018). Their study demonstrated that establishing a long-term relationship with employees depends heavily on both internal and extrinsic motivational variables. The term "intrinsic motivation" refers to behaviour that is driven by internal rewards and attitudes. Alternatively referred to as "satisfiers" or "motivators." These elements also contribute to higher levels of job satisfaction among employees (Catharina & Victoria, 2015). Among these innate elements are a feeling of accomplishment, accountability, personal development, acknowledgment, and the work itself. On the other

hand, extrinsic factors are elements found in the outside world that are related to your place of employment. Another name for these extrinsic motivators is "hygiene" or "dissatisfaction avoidance shown that while these hygiene variables cannot ensure satisfaction, their absence might lower motivation Shahzada, Khan, and Ghazi (2013). After extensively gone through the available literature this study aimed meeting the following objectives.

OBJECTIVES OF THE STUDY

1. Do employees' task and contextual performance get impacted by intrinsic and extrinsic motivation?
2. Does work satisfaction operate as a mediator in the interaction between incentives, performance, and rewards for employees?

METHODOLOGY

This research paper purely prepared based on secondary source of data available in various journal articles relating to the research problem. A systematic literature review method has adapted to collect the highly relevant data to meet research objectives. The review employed a systematic literature review methodology, which provides a clear, dependable, and repeatable approach to reduce bias and produce more dependable results for the assessment and interpretation of earlier studies pertinent to a given field (Sniazhko & Muralidharan, 2019). Intrinsic Motivation: Özutku (2019) found that, in Turkish manufacturing enterprises, there was no significant correlation between employee performance and intrinsic or extrinsic rewards. This study attempts to provide a more precise and understandable response to the question of how intrinsic and extrinsic rewards affect employee performance based on discrepancies in the literature. However, Rehman, Ilyas, and Saqib (2017) investigated the relationship between extrinsic and intrinsic rewards and workers' job performance and discovered a favourable correlation between them Task Performance: Higher performance levels on tasks are frequently the result of intrinsic motivation, which originates from within the person. Employees are more likely to perform well at their jobs when they experience personal fulfilment, happiness, or a sense of success in their work. Increased creativity, problem-solving skills, and general productivity can all be

attributed to intrinsic motivation Ryan, R. M., & Deci, E. L. (2020).

CONTEXTUAL PERFORMANCE: Contextual performance can also benefit from intrinsic motivation. Employees that possess intrinsic motivation are inclined to exhibit helpful behaviours, including but not limited to offering assistance to colleagues, volunteering for extra duties, and sharing creative ideas. This can enhance teamwork and create a positive work atmosphere Riyanto, S., Sutrisno, H., & Ali, H. A. (2017)

EXTRINSIC MOTIVATION:

Task Performance: Task performance can also be impacted by extrinsic motivation, which derives from outside sources like rewards, recognition, or penalties. Workers may be encouraged to work well in order to be considered for promotions, bonuses, or other material benefits. Extrinsic motivation can, however, have a variety of effects on task performance. In some circumstances, rewards can increase motivation and performance; nevertheless, an over-reliance on extrinsic rewards may eventually result in a decline in intrinsic motivation Hidayat, K. C. (2019). The material benefits that managers give their staff members, like salaries, bonuses, promotions, and perks, are known as extrinsic rewards, and they are typically monetary. They are referred to as "extrinsic" since they are not part of the work itself and are determined by other parties, who also decide on their size and eligibility. But there are other incentives that are regarded as extrinsic besides money. Extrinsic motivators also include elements like employment stability, promotion prospects, nature of the task, and organisational qualities (London, 2009).

Contextual Performance: By motivating workers to take actions that are advantageous to the company but are outside the scope of their official job duties, extrinsic motivation can have an impact on contextual performance. A promotion, for instance, could encourage a worker to coach new team members or take part in company-wide projects Hosie, P., & Nankervis, A. (2016).

Incentives and Job Satisfaction: According to Ayub and Rafif (2011), Job satisfaction is a measure of how much people like or loathe their occupations. Positive

emotional states resulting from evaluations of one's work or the experience of the work itself are known as job satisfaction. (Kumar & Singh, 2011) From an organisational standpoint, job satisfaction is crucial to fostering a higher degree of dedication inside the organisation, which in turn ensures the growth and success of the entire enterprise.

- **Direct Relationship:** Bonuses and promotions are examples of incentives that can improve employee engagement and motivation.
- **Mediating Role:** Employees are more likely to feel recognised and accomplished after receiving incentives, which raises their level of job satisfaction. Work satisfaction serves as a mediator in this sense, illuminating how rewards have a positive impact on workers' general job satisfaction.

WORK SATISFACTION AND PERFORMANCE:

- **Direct Relationship:** Increased productivity, improved task performance, and higher levels of dedication to the job are frequently correlated with higher work satisfaction.
- **Mediating Role:** When workers are happy with their jobs, they are more likely to be motivated and dedicated, which can improve performance. By ensuring that workers are happy and motivated in their tasks, work happiness can act as a mediator in the interaction between incentives and performance, improving task performance.

PERFORMANCE AND REWARDS: (Willsen 2020) study has divided rewards into two main groups: non-monetary and monetary. Non-monetary benefits include flexible scheduling, child care, mentoring programmes, financial aid for school or medical needs, and commissions and bonuses. Monetary prizes are often cash awards, commissions, and bonuses. You can use both kinds to improve the performance and behaviour of your staff.

- **Direct Relationship:** Organisations typically use a variety of strategies to recognise and reward high performance, including pay increases, promotions, and other initiatives.
- **Mediating Role:** Employees that do well frequently anticipate receiving compensation for their work. Work satisfaction can operate as a mediator in the relationship between performance

and rewards because it stems from both incentives and good work. Positive perceptions of incentives by contented workers are more likely to reinforce their motivation and promote sustained high performance.

OTHER POTENTIAL FACTORS AFFECTING EMPLOYEE PERFORMANCE

1. Leadership Styles in Remote Environments:

- **Transformational Leadership:** Transformational leaders inspire and motivate their teams by setting a compelling vision, fostering innovation, and providing individualized support. In remote teams, transformational leaders use technology to maintain regular communication, ensuring team members feel valued and inspired.
- **Transactional Leadership:** Transactional leaders focus on task completion and use rewards and punishments to motivate employees. In remote settings, clear task delegation, structured feedback, and transparent expectations are essential for transactional leaders to maintain motivation.
- **Servant Leadership:** Servant leaders prioritize the needs of their team members and empower them to succeed. Remote teams benefit from servant leaders who provide resources, guidance, and emotional support, creating a positive and motivated work environment.

2. Communication Strategies in Remote Teams:

- **Transparent Communication:** Transparent communication, facilitated through digital platforms, ensures that team members are informed about organizational goals, changes, and expectations. This clarity eliminates confusion, enhancing motivation as employees understand the bigger picture.
- **Regular Feedback:** Remote team members require regular feedback on their performance. Leaders can use video conferences, chat platforms, or emails to provide constructive feedback, recognize achievements, and address concerns promptly. Timely feedback fosters motivation and continuous improvement.
- **Encouraging Collaboration:** Leaders can facilitate collaboration through virtual meetings, collaborative software, and project management

tools. Encouraging team members to work together on tasks and projects enhances a sense of belonging and shared achievement, increasing motivation and performance.

- **Cultural Sensitivity:** In diverse remote teams, understanding and respecting different cultures are vital. Leaders should be culturally sensitive, adapting communication styles to accommodate cultural differences. This inclusivity promotes a positive team environment and boosts motivation.

3. Emotional Intelligence and Empathy:

- **Empathetic Leadership:** Leaders who demonstrate empathy by understanding and acknowledging the challenges faced by remote employees create a supportive environment. Acknowledging personal situations, providing flexibility, and showing genuine concern for well-being enhance motivation and job satisfaction.
- **Emotional Intelligence:** Leaders with high emotional intelligence can perceive and manage their emotions and those of their team members. They can effectively navigate conflicts, provide emotional support, and create a positive team atmosphere, contributing to increased motivation and performance.

4. Team Building and Social Interactions:

- **Virtual Team Building:** Leaders can organize virtual team-building activities, such as online games, collaborative projects, or informal video meetings, to foster social connections. Building a sense of camaraderie and friendship among remote team members enhances motivation and teamwork.
- **Encouraging Social Interactions:** Leaders can create channels or platforms for non-work-related discussions, allowing team members to share hobbies, interests, or personal achievements. These interactions strengthen relationships, promoting a positive team culture and motivation.

5. **Technology and Remote Work Tools:** The impact of technology, digital platforms, and collaboration tools on worker productivity and motivation is significant and diverse, reshaping the modern workplace in ways never seen before. Several important factors can be used to analyse this influence:

- **Enhanced Communication and Connectivity.** Regardless of geographic distances, real-time communication is made possible by digital platforms and collaboration tools. Collaborative document editing, video conferencing, and instant messaging facilitate communication and create a sense of community among scattered or remote workers. Employee morale and motivation are raised by this improved communication since it fosters a sense of being heard and respected.
- **Flexibility and Work-Life Balance.** Remote work options and flexible work schedules are made possible by technology. Workers are able to customise their work schedules, which encourages a better work-life balance. This flexibility is a powerful motivator because it improves job satisfaction and lessens the stress that comes with set work schedules, which increases output during periods of active labour.
- **Empowerment and Autonomy:** Digital technologies enable workers to make decisions independently by giving them access to resources and information. Employees that have access to collaboration platforms, project management software, and data analytics are better equipped to succeed in their roles on their own. Because they feel more in charge of their work and results, employees are more motivated, which leads to a proactive mindset and increased productivity.

6. Cultural and Demographic Differences

6.1 Communication Styles and Language:

- **Language Barriers:** Differences in language proficiency can affect communication clarity. In diverse teams, language barriers might lead to misunderstandings and reduced motivation due to communication challenges.
- **Direct vs. Indirect Communication:** Cultural variances in communication styles impact how feedback is given and received. Some cultures prefer direct communication, while others use indirect or implicit communication. Misinterpretations can affect motivation and performance evaluations.

6.2 Individualism vs. Collectivism:

- **Individualistic Cultures:** In cultures that emphasize individual achievement, employees

might be highly motivated by personal recognition and individual goals. Remote work challenges such individuals' need for acknowledgment, affecting motivation.

- **Collectivist Cultures:** Collective achievements and group harmony are crucial in collectivist cultures. Team-based recognition and a sense of belonging enhance motivation and performance in remote teams from such cultures.

6.3 Social Norms and Inclusivity:

- **Inclusivity:** Inclusive work cultures accommodate diverse backgrounds and perspectives. Cultural inclusivity initiatives, such as recognizing cultural holidays and traditions, promote a sense of belonging and motivation.
- **Social Norms:** Cultural norms related to social interactions influence virtual team bonding. Remote teams need to navigate these norms, ensuring that social interactions are respectful and considerate of diverse cultural backgrounds.

6.4 Access to Resources and Technology:

- **Technology Accessibility:** Disparities in access to technology and reliable internet connections exist across demographics. Remote workers lacking essential resources might experience frustration and reduced motivation due to challenges in performing their tasks effectively.
- **Training and Skill Development:** Demographic factors like education levels impact the ability to adapt to new technologies. Providing adequate training and support is essential for bridging skill gaps and ensuring motivation and productivity.

CONCLUSION

- contentment, external rewards, revolutionary leadership, open communication, and cultural diversity. This study sheds light on the complex dance between internal motivation and external rewards in the dynamic world of remote work, revealing the factors that drive employee motivation. We learned that motivation is a delicate balance between one's own fulfilment and outside stimulation as we navigated the virtual offices' digital hallways.

- Our study becomes a beacon of hope, shedding light on a future where inspired and driven remote teams alter the whole nature of modern work in this brave new world where cubicles have transcended physical bounds. We have solved the mystery of what makes people succeed in the digital sphere, exposing the crucial roles that inner fulfilment, external rewards, transformational leadership, open communication, and cultural inclusivity play. At the core of this research is a fundamental understanding: true motivation is a symphony of personal fulfilment balanced with external acknowledgment, rather than only the result of financial incentives or hierarchical recognition. It's the happiness that comes from finishing a task, the excitement of rising to a challenge, and the friendship that develops during virtual water cooler chats. It's the teammate who lends a helping hand, the leader who listens with empathy, and the company that recognises the individual contributions of every employee. As we conclude this expedition into the realm of remote work motivation, it is evident that the future of work is not just virtual; it is vibrant, empathetic, and driven by the fusion of individual passion and collective appreciation. With this newfound knowledge, organizations can sculpt environments where motivation thrives, and employees, regardless of their physical location, find fulfilment in every task undertaken.

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