The Effect of Motivation on Organizational Citizenship Behavior (OCB) at Telkom Indonesia in Makassar

MUHAMMAD AKMAL IBRAHIM AND ASLINDA ASLINDA
Department of Administrative Science, Faculty of Social and Political Sciences, Hasanuddin University, Makassar, Indonesia
stitek.bd@gmail.com

Abstract. Telecommunication organization needs to more seriously improve its employee’s Organizational Citizenship Behavior (OCB) so that the employee more successfully performs his/her dual role, i.e. facilitating growth and serves the public; since OCB relates positively to the overall performance of the organization. This research examines the effect of extrinsic and intrinsic motivation on employee’s OCB through the mediating role of organizational commitment. This research applies quantitative approach with research strategy of survey, where questionnaires are directly distributed to respondents. The respondents are 176 employees of 6 work units. The data analysis applies multiple linear regression. The analysis of this research shows that both extrinsic and intrinsic motivation affect OCB; however, intrinsic motivation gives bigger direct effect than extrinsic motivation does. Organizational commitment mediates the effect of motivation on employee’s OCB only through extrinsic motivation. The findings of this study implicate the researchers and the manager to review the extrinsic/intrinsic dichotomy in the study and the practice of motivation to improve organizational commitment and employee’s OCB.

Keywords: motivation, organizational commitment, organizational citizenship behavior

Introduction

With its dual role to facilitate growth and serve the public (DTTIPL, 2014), telecommunication gives a significant contribution to the advancement of humanity, society, and culture. According to data, the world will not and will never grow without telecommunication. The recent study from the World Bank concludes that every increase of 10% in the penetration of cell phones increases national income per capita for about 0.81% in developing countries (DTTIPL, 2014). As a consequence, telecommunication industry should be managed by an effective company supported by enthusiastic human resource.

The current largest telecommunication company in Indonesia is PT Telekomunikasi Indonesia Tbk (Ltd.), referred to as Telkom Indonesia. It is an Indonesian state-owned enterprise (SOE) in which Indonesian Government has about 52.47% share. The company promotes fixed wire line and fixed wireless for telephone, and mobile cellular, besides other products and services. At the end of 2009, Telkom Indonesia had 8.4 million customers of fixed wire line telephone, 15.1 million of fixed wireless telephone, and 81.6 million customers of mobile cellular telephone (Economic Department’s Indonesia Telecom Consultant, 2012).

Telkom Indonesia faces a big challenge to improve its performance both quantitatively and qualitatively. The challenge of quantitative performance for example is the low business revenue growth and the decrease of business profit in 2009 to 2010 (VIV Anews, Thursday edition, October 13th, 2011). The challenge of qualitative performance for example is how to satisfy consumers through the acceleration of handling connection disturbance complaints by customers. Facing those challenges, Telkom Indonesia requires human resources with strong encouragement to perform more than expected and work more than enabled.

Employee’s behaviors exceeding the role of formal position and giving positive effect on organization’s function, as mentioned above, is often described as organizational citizenship behavior (OCB). OCB has five dimensions, namely: altruism, courtesy, sportsmanship, conscientiousness, and civic virtue (Podsakoff et al.,...
Modern organization needs to improve its employee’s OCB since OCB relates positively to the performance and capability of the organization to solve complex problems (Shim & Rohraugh, 2012; Vigoda-Gadot & Beeri, 2011).

Literature of organizational behavior discusses OCB as the motive-based behavior, that is, OCB develops due to motivation (Ariani, 2012; Dávila & Finkelstein, 2013). Both extrinsic and intrinsic motivation develop and strengthen behavior directly, and also affect organizational commitment (Joiner & Bakalis, 2006). Organizational commitment is important since it relates positively to OCB (Kumar & Raj, 2009). Organizational commitment can be differentiated into affective commitment, continuance commitment and normative commitment (Gelade, Dobson & Gilbert 2006; Silo, 2011).

Previous researches have examined the effect of motivation on employee’s OCB in various contexts, either direct effect or through mediating role of organizational commitment. Among others, the writer underlines the finding of Ariani (2012) that OCB in different contexts have different motives, the finding of Rodriguez (2010) that intrinsic motivation correlating with staff’s OCB is stronger than extrinsic motivation, and the finding of Noor (2009) that organizational commitment mediates the effect of extrinsic and intrinsic motivation towards employee’s OCB. These findings indicate the need of further studies in different contexts to investigate the effect of motivation and organizational commitment on employee’s OCB.

To fill in the gap of the literature, this research examines the effect of motivation, including extrinsic and intrinsic motivations, on employee’s OCB at Telkom Indonesia in Makassar. According to initial research, employees in that organization have not consistently participated in OCB yet. The employees tend to focus on job description and rarely help each other in completing task and giving consideration in solving work issues, and less participate in policy debate that can encourage the organization to function effectively in a whole. It is suspected that the condition is caused by the use of extrinsic and intrinsic motivation variables that are less appropriate with the assumption of Herzberg’s two-factor motivation theory.

This research is different from Ariani’s (2012) that reduces extrinsic and intrinsic motivation into three categories, namely pro-social motive, managerial impression motive, and organizational care motive; and different from Noor’s (2009) that only observes three parameters of extrinsic and intrinsic motivations, namely opportunity of training and development, career policy, and employee empowerment practice. In this research, all parameters of extrinsic and intrinsic motivation from Herzberg (1987) are investigated. This research is also different from Rodriguez’s (2010) that focuses on the staff playing a supporting role (desktop and helpdesk). This research involves employee’s OCB in all levels of management, namely managerial and operational staffs.

This research applies Herzberg’s two-factor motivation theory to explain employee’s OCB by including the mediating role of organizational commitment. The questions of this research are: (1) How big is the effect of variable of extrinsic motivation on the variable of OCB; (2) How big is the effect of variable of intrinsic motivation on the variable of OCB; and (3) Does variable of organizational commitment mediate the influence of variables of extrinsic and intrinsic motivation on the variable of OCB. The purposes of this research are to explain: (1) the effect of variable of extrinsic motivation on the variable of OCB; (2) the effect of variable of intrinsic motivation on the variable of OCB; and (3) the mediating role of variable of organizational commitment with the influence of variables of extrinsic and intrinsic motivations on variable of OCB.

This research applies Herzberg’s two-factor motivation theory to explain OCB. Herzberg’s two-factor motivation theory assumes that if a manager wants to increase job satisfaction, and further, employee’s job performance, the manager needs to handle the factors affecting job satisfaction of the employee. Herzberg’s theory states that there are series of extrinsic conditions causing dissatisfaction when the conditions are not met, and there are series of intrinsic factors driving strong motivation level to produce good job achievement (Herzberg, 1987; Kitchin, 2010; Gibson, Ivancevich & Donnelly, 2012).

Herzberg named his theory as two-factor motivation theory since it includes extrinsic and intrinsic motivation. The conditions forming intrinsic and extrinsic factors are arranged hierarchically or reflect the rank order of dominance in motivating employee. Intrinsic motivations include achievement, acknowledgement, responsibility, advancement, the job itself, and the possibility to improve. Extrinsic motivation includes government administration and policy, supervision, relationship with superior, working condition, salary, relationship with colleague, personal factor, relationship with subordinate, status, and safety (Gibson, Ivancevich & Donnelly, 2012).

Previous researches have applied the explanation of extrinsic and intrinsic motivation to understand the degree of OCB in public sector organization. OCB is defined as discretionary contribution exceeding the firm description that does not put any claim on contractual recompense from formal reward system (Organ et al, 2006). Discretion means that this type of behavior is not a requirement of job description or a role that can be imposed but more as a personal choice whose negligence cannot be penalized. OCB is a multidimensional construction. OCB dimensions include altruism, courtesy, sportsmanship, conscientiousness, and civic virtue (Organ et al., 2006; Podsakoff et al., 2009).

Extrinsic and intrinsic motivation can affect employee’s behavior directly. Abuiyada & Shih (2012) state that the availability of motivation factors and hygiene factors in a work environment will have direct positive effect on the level of employee’s OCB; however, the availability of hygiene factors will sufficiently have bigger effect on the level of OCB than the availability of motivation factors. Previous studies from Rodriguez (2010) and Joiner & Bakalis (2006) confirm the positive correlation of extrinsic and intrinsic motivation with OCB.

The effect of motivation on OCB can also occur through the mediating role of organizational commitment. Organizational commitment is defined as a psychological condition marking the relationship between employee and organization, and has implication for the decision to
continue the membership in the organization or not (Meyer & Allen, 1997). Organizational commitment includes affective, continuance and normative commitment. Affective commitment is based on developing emotion between employee and organization through positive work experience. Normative commitment is based on employee’s perception on his/her responsibility towards the organization. Continuance commitment is based on expenses understood by the employee when he/she leaves the organization (Meyer & Allen, 1997).

Employee with strong commitment will show more extra-role behavior (Gasic & Pagon, 2004). Employee with commitment tends to work better than the employee with no commitment (Shirley, 2010). Empirical analysis proves that organizational commitment is a good predictor for OCB (Ibrahim & Aslinda, 2013; Shirley, 2010). OCB is highly possible when the employee is motivated and feels committed to the organization (Armstrong, 2006). However, association between organizational commitment and motivation is still inconsistent. Noor (2009) states that extrinsic factors affect organizational commitment, meanwhile Battistelli et al. (2013) states that the mediating role of organizational commitment towards OCB occurs in intrinsic motivation.

Based on the analysis, the writer constructs a research model including the direct effect of the variables of extrinsic and intrinsic motivation on the variable of OCB, and indirect effect of those motivation variables through the variable of organizational commitment as the mediator. The research model is constructed as follows in figure 1.

Based on the research model, three research hypotheses are defined as follow: (1) Variable of extrinsic motivation has a great effect on the variable of employee’s OCB; (2) Variable of intrinsic motivation has a great effect on the variable of employee’s OCB; (3) Variable of organizational commitment mediates the influence of variable of extrinsic motivation and variable of intrinsic motivation on employee’s OCB

**RESEARCH METHODS**

The analysis unit in this research is individual employee. This research applies quantitative approach. The constructions included in formal hypotheses are elaborated into more operational dimensions; the indicators are made and applied to perform field measurement objectively. The quantitative analysis option is based on the consideration of appropriateness with research question. Research strategy applied is survey. Survey research is questionnaire application towards several samples of respondents chosen from a number of populations.

The research location is PT Telkom in Makassar, with some considerations that (1) it is a public organization positioned as a medium to make the achievement of national strategic objectives effective, (2) it still faces a challenge towards the achievement of optimal performance until present and (3) theoretical explanation on how the organization is able to motivate its employee effectively to participate in OCB is still unclear.

The research setting has 18 work units spread over a wide geographical area. The research takes 6 work units as the samples. Those work units are treated as clusters to be the basis for determining the size sample. Because of relatively small sampling element, the writer applies lottery technique for the cluster sampling. The work units chosen as the samples based on the result of the lottery are as follows: (1) Costumer Service, (2) Access Division, (3) Enterprise Service Division, (4) Infratel Division, (5) Telcom Flexi Division, and (6) Finance Billing and Collection Center.

Total employees chosen from the 6 work units are about 475 people. Based on the table of determining the number of samples from particular population for continuous and category data from Barlett, Kotrlik & Higgins (2001), for population of 475 with the standard error of 5%, the total samples required are 176 units. The employee’s sample size refers to such consideration. The sampling utilizes probability sampling procedure, as the requirement to hypothesis testing and statistical significance. In applying the probability sampling, the writer conducts lottery technique because the sampling element of the 6 work units is relatively small.

Questionnaire used in this study is referred to Likert’s scale construction. The measurement of extrinsic motivation utilizes 21 items, while the measurement of intrinsic motivation utilizes 13 items that the writer develops based on the operational definition of motivation indicators of Adair (in Tyilana, 2005 & Riley; 2005). The measurement of organizational commitment utilizes 24 items of organizational commitment scale of Allen & Meyer (1990). The measurement of OCB utilizes 24 items of OCB instruments developed by Podsakoff et al. (1990). Those instruments are tested for the reliability by using alpha Cronbach and validity by using the correlation of Pearson product moment.

The minimal criteria of alpha Cronbach is set at 0.70 while the minimal criteria of correlation value is set at 0.30, referring to Saville et al. (2008). Alpha Cronbach of intrinsic motivation item is 0.908; extrinsic motivation item is 0.886; organizational commitment item is 0.936; and OCB item is 0.886. All of them are valid because Alpha Cronbach obtained is bigger than minimal criteria set at 0.70, the correlation value for all items of intrinsic motivation, extrinsic motivation, organizational commitment and OCB is above the minimum criteria of 0.30. The data processing is conducted by statistical package for social sciences (SPSS for Windows) version 17.0.

**Figure 1. The Model of the Influence of Extrinsic and Intrinsic Motivation on OCB**
The hypothesis testing utilizes multiple linear regression analysis. Through regression analysis, we can tell the magnitude of change in dependent variable for each unit of change in independent variable and ensure statistically whether particular independent variable is a predictor for dependent variable (Lavrakas, 2008). In hypothesis testing by regression, the first step only includes the score of intrinsic motivation and the score of extrinsic motivation to explain the score of OCB, and the second step includes the score of intrinsic motivation, the score of extrinsic motivation and the score of organizational commitment to analyze the mediating role of organizational commitment.

In regression analysis, the hypothesis testing applied is T test. T test is applied to analyze the effect of each independent variable on dependent variable so that it can be known whether each independent variable affects dependent variable, and to tell which independent variable has dominant effect on dependent variable. After the regression line is seen, it is evaluated to find out how well the regression line reflects the compatibility of the data. It is shown from error variation. The smaller the error variation, the better the compatibility is (Welch & Comer, 1983).

The measurement of data compatibility in regression line applies Pearson correlation coefficient. If the dots are distributed randomly, then r will approach zero that means the dependent variable is not related to independent variable. Otherwise, if the dots are distributed minimally, then r will approach the highest limit of + 1 (in the case of positive relation or the lowest limit of – 1 in the case of negative relation). In both cases, it means that the dependent variable is highly related to independent variable; changes in independent variable will be followed by changes in dependent variable (Welch & Comer, 1983).

RESULT AND DISCUSSION

The first hypothesis anticipates the effect of extrinsic motivation; the second hypothesis anticipates the effect of intrinsic motivation on OCB. To test the effect of motivation on hypothesized OCB, the writers regress OCB based on the measurements of employee’s intrinsic and extrinsic motivation. The analysis result is reported in Table 1. The third hypothesis anticipates the mediating role of organizational commitment in the influence of both motivation variables on employee’s OCB. The analysis result is reported in Table 2.

Data reported in Table 1 indicates that both association between extrinsic motivation and OCB (t = 3.981; p < .05) and association between intrinsic motivation and OCB (t = 6.136; p < .05) are positive and significant. Significant association implies that changes towards better direction in both cases. The effect of organizational motivation on employee’s OCB (un-standardized β = .249; p < .05) cannot be ignored.

The above data provides support for the effect of extrinsic and intrinsic motivation on hypothesized employee’s OCB. The hypothesis that extrinsic and intrinsic motivation highly affect employee’s OCB is supported in this study. The implication is that the employee with strong extrinsic and intrinsic motivation tends to perform more OCB in dimensions of altruism, courtesy, sportsmanship, conscientiousness, and civic virtue, compared to employee with poor extrinsic and intrinsic motivation.
Herzberg’s motivation theory predicts that extrinsic factor does not move strong motivation level, its existence can prevent employee’s dissatisfaction but does not motivate employee (Gibson, Ivancevich & Donnelly, 2012; Herzberg, 1987). Previous research from Battistelli et al. (2013) provides empirical support for Herzberg’s theoretical prediction, that intrinsic motivation has significant effect, while extrinsic motivation has no significant effect on employee’s OCB.

Even though inconsistent with the prediction in Herzberg’s motivation theory (1987) and empirical findings above, this research finding is not surprising. Frey & Osterloh (2002) speculates that management success through motivation can be achieved only by balancing extrinsic and intrinsic motivation. Study from Rodriguez (2010) finds positive correlation between extrinsic and intrinsic motivation and OCB. Other researches have shown that employee can be motivated by total reward, namely extrinsic and intrinsic rewards at the same time (Ledford Jr., Gerhart & Fang, 2013). Motivational effect from extrinsic factors is highly possible to occur when the task design is not interesting intrinsically (Ryan & Deci, 2000).

The effect of intrinsic motivation on employee’s OCB in this study is bigger than the effect of extrinsic motivation. The implication is that the employee motivated by intrinsic factors is the employee motivated by achievement, acknowledgement, responsibility, advancement, the job itself, and the possibility to improve and perform more OCB in dimensions of altruism, courtesy, sportsmanship, conscientiousness, and civic virtue compared to the employee motivated by extrinsic factors such as government policy, supervision, relationship with superior, working condition, salary, and others.

The minor effect of extrinsic motivation on employee’s OCB, and relative towards the effect of intrinsic motivation, is an interesting thing since SOE sector in many countries, including Telkom Indonesia has utilized a performance reward design. The performance reward design includes utilization of extrinsic reward items such as salary, allowance, incentive, promotion and acknowledgement, to improve organizational performance. Any job in various economic sectors is hardly run without extrinsic reward. Results of empiric analysis indicate that extrinsic reward correlates positively with both organizational performance and employee’s intrinsic motivation (Gerhart & Fang, 2013).

The effect of extrinsic motivation on employee’s OCB in PT Telkom in Makassar is minor compared to the effect of intrinsic motivation because the availability of extrinsic conditions themselves is inadequate conceptually. The availability of predicted extrinsic factors has bigger importance level in Herzberg’s theory and generally is in low level in PT Telkom in Makassar. Herzberg’s motivation theory (1987) predicts that the order of importance level of extrinsic motivation from the highest is: government administration and policy, supervision, relationship with superior, working condition, salary, relationship with colleague, personal factor, relationship with subordinate, status, and safety.

Different from Herzberg’s theoretical prediction, the order of importance level of extrinsic motivation in Telkom Indonesia in Makassar from the highest: personal factor (mean score of 4.23); working condition (mean score of 4.18); relationship with co-worker (mean score of 4.16); safety (mean score of 4.12); relationship with superior (mean score of 3.96); relationship with subordinate (mean score of 3.97); supervision (mean score of 3.78); salary (mean score of 3.51); and status (mean score of 3.44). More dominant extrinsic factors, namely personal factor, relationship with colleague, and safety, encourage employee’s OCB but not strong enough.

The data reported in Table 1 and Table 2 show that the mediating role of variable of organizational commitment can be investigated. Three conditions to investigate mediating effect of a variable is the presence of significant relation between independent variable and dependent variable; between independent variable and mediator variable; and between dependent variable and mediator variable (Baron & Kenny, 1986). Statistical analysis shows that extrinsic and intrinsic motivation relate significantly to OCB, organizational commitment relates significantly to OCB, and extrinsic and intrinsic motivation relate significantly to organizational commitment.

Based on the value of un-standardized β and its significance, the hypothesis about mediating role of organizational commitment on the effect of extrinsic and intrinsic motivation on employee’s OCB is accepted. The variant in employee’s OCB explained by extrinsic and intrinsic motivation increases after including organizational commitment. The implication is that employee with both strong motivation and organizational commitment performs more OCB in the dimensions of altruism, courtesy, sportsmanship, conscientiousness, and civic virtue.

The finding of this research about mediating role of organizational commitment is not surprising. The initial model of Meyer & Allen (1997) confirms that all three dimensions of organizational commitment mediate the relationship between antecedents of work and important organizational outcomes. Results of empirical analysis of Ibrahim & Aslinda (2013), Shirley (2010), and Armstrong (2006) support the mediating effect of organizational commitment on the effect of motivation on employee’s OCB. Employee with the power of motivation and the power or organizational commitment tends to work harder and achieve more from the terms of job responsibilities.

Specifically, the mediating role of organizational commitment towards employee’s OCB in Telkom in Makassar occurs only on extrinsic motivation. The finding is different from the finding of Battistelli et al. (2013) that the mediating role of organizational commitment on OCB occurs on intrinsic motivation instead of extrinsic motivation. The implication of the finding is that the employee motivated by extrinsic conditions has stronger affective commitment, normative commitment, and continuance commitment and performs more OCB in dimensions of altruism, courtesy, sportsmanship, conscientiousness, and civic virtue, compared to the employee motivated by intrinsic conditions.

The mediating role of variable of organizational commitment on the influence of extrinsic motivation on OCB is not surprising because nowadays the utilization of extrinsic reward as a controlling technique in Telkom Indonesia is increasing. According to Gerhart & Fang (2013), the biggest percentage of job in modern society today does not only offer little intrinsic motivation but also
extrinsic reward. People controlled by extrinsic reward will be less motivated intrinsically (Deci & Ryan, 2000).

The above fact indicates that in a condition where a job design offers only little intrinsic motivation while utilization of external reward increases, the power of extrinsic reward will evoke more organizational commitment and employee’s OCB. Statistically, the power of extrinsic reward in PT Telkom in Makassar (mean score of 3.91) is slightly bigger than the power of intrinsic reward (mean score of 3.90). It indicates that more employees will be more responsive towards the power of extrinsic conditions rather than the intrinsic conditions in such context, so that the extrinsic conditions evokes organizational commitment and later encourages employee to perform OCB

CONCLUSION

The research analysis shows that intrinsic motivation still has great effect but the effect of extrinsic motivation also cannot be ignored. Different from the prediction of Herzberg’s motivation theory, the result of this research supports the idea that motivation total is a function from external motivation plus internal motivation. Employees can be motivated by intrinsic conditions and extrinsic reward at the same time. The most important aspect of this research is that there is a need to review the distinction by dichotomy between extrinsic-intrinsic like the classic literature about motivation glorifies. We need more studies on motivation to reveal the exact balance between position content and position context to encourage employee’s OCB to aid managers of public sector.

This research analysis also shows that organizational commitment plays a mediating role on the influence of extrinsic and intrinsic motivation on employee’s OCB. The employee with strong motivation and organizational commitment will perform more OCB and can fully contribute to organization’s success. This finding has been established in studies on OCB antecedents in various contexts. An interesting fact is that the mediating role of organizational commitment on OCB in this context occurs only in extrinsic motivation. Studies in other contexts find out that the mediating role of organizational commitment on OCB occurs only on intrinsic motivation. It indicates that the mediating role of organizational commitment on OCB depends on the context of motivation provision.

REFERENCES


