

# Insight into Herzberg's Two-factor Incentive Theory

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**Abstract**—Herzberg's two-factor incentive theory has great influence on the field of management and has been widely applied to the management practice. However, there are also controversies over the theory. One of the reasons behind these controversies is that Herzberg didn't conduct further analysis of the essence of the theory when putting it forward. Herzberg divides the factors affecting the employees' job satisfaction into incentive factors which are related to the work itself and hygiene factors which are mainly relevant to the working environment. He believes that what motivate the employees can only be incentive factors, and hygiene factors merely eliminate the employees' dissatisfaction. This paper carries out an in-depth analysis of the essence of Herzberg's two-factor incentive theory and finds that the degree of the employees' subjective initiative is obviously different when it comes to these two kinds of factors, and the division of incentive factors and hygiene factors is essentially the division of the different areas in which the employees exert their subjective initiative. The research result shows that the source of the motivation lies not in certain fixed factors but in how much subjective initiative the employees can exert in these factors. If the organization managers really want to motivate the employees, they should provide adequate conditions for the employees to exert their subjective initiative completely.

**Keywords**—Herzberg; Incentive factors; Hygiene factors; Subjective initiative

## I. INTRODUCTION

Frederick Herzberg, an American behavioral scientist, is a well-known scholar on the incentive theory. He has a great reputation in the management circles. On one hand, it is because he put forward the famous two-factor incentive theory; on the other hand, it is because of his pioneering research on the theory of job enrichment[1]. Herzberg's two-factor incentive theory has great influence in the field of management theory and has been widely used in the management practice. However, there are also some controversies over the two-factor incentive theory. One of the reason for these controversies is that Herzberg didn't further analyze the essence of the theory when he put forward it. At present, the researches on this theory are mainly reflected in the application fields, and there is a lack of deep thinking about the essence of the motivation to work. This will weaken the theory's guidance to the management practice. Compared with other incentive theories, Herzberg's two-factor incentive theory provides a new perspective for us to understand the motivation to work. The division of incentive factors and hygiene factors in the two-factor theory shows that there are two different incentive areas in the organization management activities. Essentially, the degree of the employees' exerting their subjective initiative is obviously different in these two

different incentive areas. Therefore, the division of incentive factors and hygiene factors is essentially the division of the different areas in which the employees exert their subjective initiative. The source of the motivation lies not in certain fixed factors but in how much subjective initiative the employees can exert in these factors. If the organization managers really want to motivate the employees, they must establish a multi-subject concept, cultivate the consciousness of performance community, arouse the employees' organization subjective consciousness, and permit the employees to exert their subjective initiative completely.

## II. A BRIEF INTRODUCTION TO HERZBERG'S TWO-FACTOR INCENTIVE THEORY

### A. The Basic Contents of the Two-factor Incentive Theory

Two-factor incentive theory, also known as incentive-hygiene theory, was put forward by Herzberg in his book of *The Motivation to Work* which was published in 1959[2]. In the book of *Work and the Nature of Man*[3], which was published by the World Press in 1966, Herzberg introduced the production process and main contents of the two-factor incentive theory. According to Herzberg, there are usually five factors that can satisfy the employees, and they are achievement, appreciation, work itself, responsibility and progress. Among the five factors, appreciation refers to recognizing the employees' work performance. As far as the durability of the impact is concerned, the latter three factors play a stronger role. The employees often feel satisfied because they have one of these five factors, but they seldom feel unsatisfied when they lack one of these five factors. In addition, there are also five factors that are easy to bring unsatisfaction to the employees, and they are company policies and management methods, the managers' supervision, wages, interpersonal relationships and working conditions. These five factors can't work for a long time, and they seldom become the factors that can make the employees satisfied.

Herzberg further realizes that the satisfying factors which can make the employees satisfied mostly come from the work itself, such as the content of the work, the nature of the work, achievement and other people's recognition, work responsibility, the improvement of work ability and so on. And on the other hand, the dissatisfying factors which can make the employees unsatisfied mostly come from the surrounding environment, such as the managers' supervision, working conditions, interpersonal relationships, remuneration and so on. The dissatisfying factors are related to environmental conditions, and they play the roles to prevent the employees' dissatisfaction, so they are called hygiene

factors. And meanwhile, the satisfying factors can stimulate people to strive for progress and make achievements in their work, so they are called incentive factors [4].

In conclusion, two basic findings have been made in Herzberg's research work. Firstly, the factors that can satisfy the employees and the factors that can make the employees unsatisfied are independent and different from each other. Secondly, the sense of satisfaction and the sense of dissatisfaction aren't corresponding to each other. That is to say, the opposite of job satisfaction is not job dissatisfaction but no job satisfaction, and the opposite of job dissatisfaction is not job satisfaction but no job dissatisfaction. The hygiene factors can't make the employees feel positive about their work, because the characteristics of the hygiene factors determine that they can't give the employees a sense of psychological growth. The employees' psychological growth depends on their achievement, and the achievement often depends on their work [5].

The incentive factors represent the factors about the work, so they are necessary for the employees' psychological growth. They can provide psychological incentives for the employees to strive to achieve their needs of self-growth and self-worth.

#### *B. Herzberg's Further Expansion on the Two-factor Incentive Theory*

In 1968, Herzberg published his article of *One More Time: How Do You Motivate Employees*[6] in Harvard Business Review. He put forward the topic of job enrichment in this article. He believes that only by enriching the work content can we make effective use of the human resources. In fact, this way is to use the method of adjusting incentive factors to motivate the employees. The concept of job expansion is replaced by the concept of job enrichment. Job enrichment can provide the employees with the opportunities of spiritual satisfaction and growth, while job expansion can only enlarge the work structure. The real meaning of job enrichment is to expand the job scope in the vertical direction, and job enrichment can provide incentive factors for the employees.

In addition, Herzberg believes that the employee-centered management is not achieved by educating the managers but by changing their work. Job enrichment is not a one-time plan but a continuous management function. Not all jobs can be enriched, nor all jobs need to be enriched [7].

### III. INSIGHT INTO HERZBERG'S TWO-FACTOR INCENTIVE THEORY

In this part, we won't comprehensively analyze and evaluate Herzberg's two-factor incentive theory. We only try to explore its enlightenment to current human resources development and management from the perspective of analyzing its essence.

#### *A. Insight into the Essence of the Incentive Factors*

In the brief introduction to Herzberg's two-factor incentive theory, we know that incentive factors that can make the employees satisfied mostly come from the work itself, such as the work content, the nature of the work, the work achievement and other people's recognition, the work responsibility, the improvement of work ability and so on. These factors are related to the work itself. Meanwhile, these factors can bring about positive attitude, satisfaction, self-realization and motivation, and they can motivate the employees to strive for progress and make achievements in their work.

If we analyze the incentive factors further, we can see that these factors actually contain two interdependent motivation sources. The first motivation source is that these factors can make the employees exert their subjective initiative. In these areas, the employees can exert greater autonomy as long as they want to. That is to say, the employees can find their organization subjects sense in these areas. The second motivation source is that the employees can get a sense of psychological growth when they exert their subjective initiative. If they can exert their subjective initiative completely, they will exert and improve their work ability, and their sense of work responsibility will be further strengthened. They will achieve remarkable achievements in their work and gain recognition both in their organization and in their self-psychology. In fact, the recognition is not only the recognition to the employees' value but also the recognition to their subject status.

#### *B. Insight into the Essence of the Hygiene Factors*

We know that most of the hygiene factors mentioned by Herzberg come from the employees' surrounding environment. The hygiene factors belong to the factors related to working environment and working conditions, such as the managers' management and supervision, working conditions, interpersonal relationships and work remuneration. According to Herzberg, these factors can prevent dissatisfaction[8], so they are called hygiene factors. This concept is borrowed from the medical field. Hygiene means prevention and environmental hygiene in the medical field.

Obviously, we can see that most of these environmental factors are always controlled by the organization managers under the traditional management concept, and the employees can't control themselves or have low degree of control in these areas. Therefore, we can speculate that the underlying reason why the hygiene factors can play the role of maintenance doesn't lie in the factors themselves, and the real reason is that it is difficult for employees to exert their subjective initiative in these areas. That is to say, it is difficult for the employees to feel their subject position in these fields, and these factors can't arouse the employees' psychological resonance under the traditional management concept.

#### IV. REFLECTIONS ON HERZBERG'S TWO-FACTOR INCENTIVE THEORY

From the above analysis, we can draw the following conclusions.

##### A. *There are Two Different Motivation Areas in the Organization Management*

Obviously, it should be affirmed that Herzberg's two-factor incentive theory provides a new perspective for us to understand the motivation to work. The incentive factors and the hygiene factors are relatively independent in the two-factor incentive theory, and this can make us see that there are two different incentive areas in the organization management. The job enrichment provides the employees with the opportunities of spiritual satisfaction and growth. We can realize deeply that the harmony between the employees and the organizations is very important.

##### B. *The Division of Incentive Factors and Hygiene Factors Is Essentially the Division of the Different Areas in Which the Employees Exert Their Subjective Initiative*

Under the traditional management concept, the working environment and working conditions are both designed by the organization managers. The employees don't have the right to participate in the designing, and they can only passively accept them. In this situation, the employees can't have the sense of organization subjects, and they can't work with great enthusiasm. Under the traditional management concept, it is difficult for the employees to exert their subjective initiative in the hygiene factors area, and the employees often have low autonomy. And these hygiene factors can't have an obvious incentive effect. Therefore, The division of incentive factors and hygiene factors is essentially the division of the different areas in which people exert their subjective initiative. At the same time, we can boldly imagine that the hygiene factors will be defined again if the employees can also have the sense of organization subjects in the hygiene factors area.

##### C. *Whether the Relevant Factors Have Incentive Effects or Not Depends on Whether They Can Make the Employees Exert Their Subjective Initiative*

The factors that motivate the employees doesn't lie in certain fixed factors entirely. Whether the relevant factors have incentive effects or not depends on whether they can make the employees exert their subjective initiative. If the factors can make the employees exert their subjective initiative, the employees will find their value of existence and the sense of organization subjects. If the organization managers allow their employees to participate in the construction of working environment and working conditions, the employees will always feel the sense of organization subjects in the working environment. Then, the working environment will be transformed into a sense of achievement, and the sense of achievement is certainly an incentive factor. That is to say, if the organization managers allow their employees to exert their subjective initiative in the hygiene factors area, the hygiene factors will also be transformed into the incentive factors.

#### V. THE ENLIGHTENMENT OF THE TWO-FACTOR THEORY TO CONTEMPORARY MANAGEMENT

##### A. *The Organization Managers Should Establish a Multi-subject Concept*

In the organization management practice, the organization managers often regard themselves as the only subject in the organization. When the organization managers formulate and implement the management measures and incentive policies, they seldom consider the subjective feelings of the employees. This suppresses the employees' subjective initiative, and the management measures and incentive policies are often difficult to play their due incentive role. This is the managers' deviation in understanding the organization subjects. The source of this unrealistic management concept lies in the managers' confusion between the two concepts of the management subject and the organization subject.

We know that the subjects are the initiators and undertakers of the practical activities. Therefore, both organization managers and the employees are the organization subjects. If the employees are regarded as the organization subjects, they will exert their subjective initiative on a broader and deeper level. If the organization managers can establish a multi-subject concept and permit the employees to exert their subjective initiative in the organization management and the design of the organization environment, the employees will exert more enthusiasm in their work.

The equal status of the subjects in an organization doesn't mean ignoring the authority of the managers in the organization. On the contrary, it is through the confirmation of the subjects status that the employees' work enthusiasm is enhanced, and this can make the organization managers' status and influence more prominent.

##### B. *Cultivating the Employees' Organization Subject Consciousness*

The organization subject consciousness can guide the employees' organization activities directly. The organization subject consciousness involves three aspects: organization subject status, organization subject ability and organization subject value. The employees won't actively participate in the organization activities if they lack the organization subject consciousness, and they won't exert their subjective initiative completely, either. If the employees are aware of their status as the organization subjects, they will clearly estimate their abilities and values, and they will make a positive contribution to the organization. Therefore, the organization managers should cultivate the employees' participation consciousness and participation abilities and encourage them to participate in various organization activities actively.

##### C. *Establishing the Consciousness of Performance Community*

Each of the organization subjects should establish the consciousness of performance community. The organization subjects constitute an organization system with a common mission together. The common goals may be achieved only by cooperation. The organization managers should play the role

of the performance initiators, and encourage the employees to exert their subjective initiative. The organization managers should also construct the performance coordination mechanism among the relevant subjects, promote the positive interaction among the subjects. This helps to realize the common development of the organization and the employees.

## VI. CONCLUSIONS

Aiming at the controversies over Herzberg's two-factor incentive theory in the field of management theory, this paper analyzed its essence and revealed that the source of the motivation came from the employee's subjective initiative. The division of incentive factors and hygiene factors makes us see that there are two different incentive areas in the organization management, and this provides a new perspective for us to understand the motivation to work. Essentially, the degree of the employees' exerting their subjective initiative is obviously different in these two different incentive areas, so the degree of the employees' exerting their subjective initiative is the source of the motivation. If the organization managers really want to motivate the employees, they must establish a multi-subject concept, cultivate the sense of performance community, arouse the employees' organization subject consciousness, and permit the employees to exert their subjective initiative completely.

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