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Motivational Needs and Intent to Stay of Social Enterprise Workers

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ABSTRACT
Using a needs theory framework, this study investigated motivations of social enterprise workers and their intent to stay using a sequential mixed exploratory design. Factor analysis of survey data elicited two factors corresponding to intrinsic and extrinsic needs. The extent to which these needs are met predicted intent to stay for both staff level employees and managers/founders. However, results showed differences between job levels on the extent to which intrinsic needs are met. Unique needs that appear to be an artifact of the nature of social enterprises and context are examined. Human resource management implications for social enterprises are discussed.

KEYWORDS
Social enterprise; motivation; needs theory; intent to stay; Philippines

Introduction
Social enterprises can be described as a hybrid between typical for-profit companies and non-profit organizations because of their goals and ways of working. Like traditional for-profit companies, they use innovative and business-like means to ensure sustainability and growth as an organization. On the other hand, they are similar to non-profit organizations because their social-value objectives are not merely afterthoughts but rather, inextricably tied to their missions and visions (Massetti 2012). Thus, social enterprise workers must constantly balance profit and social-value objectives (Hechanova-Alampay and dela Cruz 2009).

A review of the related literature shows numerous studies on conceptual definitions of the phenomenon, descriptive case studies of existing social enterprises, as well as documentation of the social impact on target communities (Hechanova-Alampay 2009; Hill, Kothari, and Shea 2010). However, there have been few studies that empirically test key workplace-related psychological concepts for workers of social enterprises. Moreover, studies that have delved into psychological concepts such as motivation have focused mostly on the social entrepreneurs and founders, and there is a dearth of knowledge on the other social enterprise workers who comprise majority of social enterprises (Doherty, Haugh, and Lyon 2014).

This research will address these gaps in the literature by examining not just social entrepreneurs, but also the other workers involved in making social enterprises operational and successful. Doing so gives us a broader and more inclusive understanding of worker motivations in social enterprises, and allows us to explore possible differences among groups of workers.

Understanding both motivation and intention to stay of social enterprise workers is important because they play a vital role in maintaining an effective workforce, and ultimately, in the sustainability of the social enterprise. Moreover, studies show a link between motivational needs and employee’s intent to stay in the organization (Newton, Becker, and Bell 2014; Johari et al. 2012). Thus, using intent to stay as the outcome variable, the study will also explore the relationship between these
motivational needs and the desire to remain in the organization. In addition, it explores possible differences in motivational needs and intent to stay depending on job level.

Social enterprises

Around the world, there is a growing interest in building and studying social enterprises (Defourny and Nyssens 2008). Because of their goals to address social problems through sustainable means, social enterprises represent hope in developing countries, where poverty and inadequate systems for health, education and other basic services are not uncommon (Dacanay 2013; Hechanova-Alampay 2009). The Philippines, for example, has about 30,000 social enterprises (Dacanay 2013). These include cooperatives, microfinance institutions, fair trade organizations, social enterprises initiated by non-profit organizations and sector or area-based groups that serve specific marginalized communities (Dacanay 2013).

The terms social enterprises and social entrepreneurs have been defined in many ways in various studies. Moreover, regional and national differences can be noted in how social enterprises are conceptually defined and operationally managed (Defourny and Kim 2011; Defourny and Nyssens 2008; Sengupta and Sahay 2017). For the purpose of this research, we follow Germak and Robinson’s broad conceptualization of social enterprises as ‘enterprises that seek financial, social, and at times, environmental outcomes as well’ (2014, 7). Thus, social enterprises are organizations that have a double or triple bottom line: financial sustainability (via profit or surpluses) and social objectives (such as empowerment of a group of marginalized people or environmental protection) (Dacanay 2013; Doherty, Haugh, and Lyon 2014). Across literature, one of the central features of social enterprises is hybridity: they blend characteristics of typical for-profit or private organizations with other characteristics normally associated with non-profit organizations and public institutions (Doherty, Haugh, and Lyon 2014). Social enterprise workers must accept and balance these profit and social dimensions because they are integral elements of their organizations.

Social entrepreneurs are ‘individuals that conceive of the initial idea, move toward launching the venture, and work to sustain the venture’ (Germak and Robinson 2014, 7). Studies show that they have characteristics that differentiate them from traditional entrepreneurs, philanthropists and volunteers. Social entrepreneurs have a greater service anchor compared to traditional entrepreneurs (Bargsted et al. 2013). Although both social development volunteers and social entrepreneurs have prosocial motivations, social entrepreneurs have a lower level of external locus of control and a higher level of risk-taking (Bargsted et al. 2013). Moreover, social entrepreneurs of successful ventures do not engage in all behaviours that are associated with non-profit and business ventures – rather, they blend certain behaviors together to adapt to their context (Katre and Salipante 2012). Given the unique combination of characteristics for social entrepreneurs and social enterprises, would established theories of motivation describe their needs?

Theories of motivation

Motivation plays a pivotal role in an employee’s work life, and is thus a topic that has been of much interest to psychologists and business owners throughout the past decades. Lockwood defines motivation as ‘the psychological forces that determine the direction of a person’s level of effort, as well as a person’s persistence in the face of obstacles’ (2010, 1). When workers are motivated, valuable talent is retained in organizations and strategic goals are easier met (Lockwood 2010).

One general category of motivation theories is the needs-based theories. Needs theories look at workers’ various needs and the extent to which these are met or satisfied as a way to explain work motivation. Some theories that relate to workers’ needs include Maslow’s Hierarchy of Needs (1943), Herzberg’s Motivation-Hygiene Theory (1968), McClelland’s Theory of Needs (1961) and Self-determination Theory (SDT) (Deci and Ryan 2008). Examples of needs from these theories include
physiological needs, esteem needs, adequate compensation, good relationships with other people and a sense of achievement or competence.

Motivating needs are also often described as intrinsic or extrinsic. Intrinsic motivation refers to work done ‘for its own sake’; that is, because it is inherently enjoyable, interesting and satisfying for the worker (Amabile et al. 1994; Ryan and Deci 2000). Intrinsic goals satisfy fundamental psychological needs, examples of which include personal growth, competence, betterment of the world, helping others and close personal relations (Kasser and Ryan 2001). Intrinsic motivation has been found to be positively correlated to desirable employee outcomes such as work performance and affective commitment, and negatively correlated to unfavorable outcomes such as turnover intent, burnout and work-family conflict (Kuvaas et al. 2017).

Extrinsic motivators on the other hand can be described as instrumental because work is done to achieve tangible outcomes or incentives that are separate from the work itself (Kuvaas et al. 2017). This includes financial success, performance-based incentives and social recognition. The relationship of external motivation to internal motivation has been the subject of many studies. Some posit that extrinsic motivation undermines or overpowers existing intrinsic motivation, whereas others suggest that they may co-exist and be measured independently, or that they may even complement each other (Lepper and Henderlong 2000). Regardless, studies indicate that extrinsic and intrinsic motivations are separate dimensions (Kuvaas et al. 2017). Indeed, it has been observed in neural studies that when people decide to do the same familiar task for different reasons, different parts of the brain are activated (Lee et al. 2012).

**Needs in context**

Needs theories presume a common set of needs that motivate individuals. However, motivational needs of workers are contextual. For example, a study in a developing and collectivist culture reports that rather than individual needs (i.e. self-actualization or esteem), what motivates Filipino workers is the well-being and actualization of their family members (Ilagan et al. 2014).

Context can also refer to the nature of the employing organization. Studies show that there is a blend of different factors that motivates social entrepreneurs to engage and persist in their work. In addition to social interest and helping society, other personal motivators include closeness to social problem, achievement, personal fulfilment, social networks, lifestyle, acknowledgement, profit and iconoclastic motives (Boluk and Mottiar 2014; Christopoulos and Vogl 2015; Germak and Robinson 2014). Moreover, while acknowledging that those involved in social entrepreneurship may also have self-driven or individually-focused motivations like prestige and pay, Miller et al. (2012) highlight the importance of compassion as a prosocial and others-oriented factor that motivates social entrepreneurs.

Given the limited studies on motivations of social enterprise employees (not just the social entrepreneur), the study was informed by research on employee motivation in similar organizations such as non-profit and public sector organizations. Studies show that people who work for non-profit organizations and the public sector are more motivated by intrinsic, not extrinsic needs (Sung Min and Word 2012). Non-profit employees are motivated by factors such as preference of working with and for people, altruism, personal growth and opportunities to learn (Schepers et al. 2005). It is notable, however, that there is no difference in the level of intrinsic motivation and the importance placed on financial security between knowledge workers in non-profit organizations compared to those in for-profit organizations (De Cooman et al. 2011).

**Role motivation theory**

Beyond context, motivations may differ according to role. Role motivation theory (Miner 1993) suggests that just as role requirements differ, so do motivational patterns of individuals in these roles. Miner (1993) describes various needs associated with managerial, professional and clerical roles. For example, because managers are responsible for their unit’s performance, they will have a greater
need to exercise power and authority compared to their subordinates. This is supported by other studies. Deal et al. (2013) found that employees in higher managerial positions have higher intrinsic motivations compared to those in lower levels, while managers in lower positions have higher extrinsic motivation. Thus, identifying needs in terms of role allows for a more accurate understanding of what motivates workers.

**Intent to stay and retention**

One variable that has been found to be linked to motivation is intent to stay. Intent to stay has been defined by Johari et al. as ‘employees’ intention to stay in the present employment relationship with their current employer on long-term basis’ (2012, 398). A meta-analysis has found that behavioural intentions (whether to stay or to quit) are a significant predictor of employee turnover (Steel and Ovalle II 1984).

Because majority of social enterprises are labour-base, the issue of turnover is particularly critical. Employees are typically the main providers of the services and cannot be replaced by machineries or facilities (Bhati and Manimala 2011; Ohana and Meyer 2010). High turnover rates are undesirable because the cost of repeated recruiting, hiring and retraining of new employees can divert limited and valuable resources that the social enterprise can use elsewhere. The need to once again build new knowledge, skill and relationships may also hamper the organization’s internal operations and client interactions. It would be very useful, therefore, for social enterprises to better understand the various needs of their workers and create effective HR programmes to increase their intent to stay and decrease turnover.

Intent to stay is also relevant for social entrepreneurs and founders, especially in light of the many struggles they face in their work to create and sustain their social enterprises. The normal difficulties associated with operating a traditional enterprise including maintaining profitability and keeping expenses below revenue are made more complex because of the pursuit of social goals and values (Habaradas and Aure 2016). In the Philippines, other challenges faced by social entrepreneurs include securing resources to scale the organization, the need to professionalize the operations and management and lack of manpower with specific competencies (Habaradas and Aure 2016; Hechanova-Alampay and dela Cruz 2009).

**Motivational needs and intent to stay**

Mobley’s (1977) turnover model suggests that the process of deciding whether to leave or remain in the organization begins with the worker’s evaluation of various aspects of the job. In support of this, a study among volunteers of non-profit organizations found that their intention to stay is related to the extent to which their different motivational needs (i.e. social, values, career, enhancement, learning and development) are met (Newton, Becker, and Bell 2014).

Among non-profit workers, mission attraction is positively correlated to intent to stay (Brown, Yoshioka, and Munoz 2004). Other variables related to intent to stay include perceived organizational support, career satisfaction and support from co-workers and supervisors (AbuAlRub 2010; Supangco 2015). The need for congruence between employees’ values and beliefs and those of the organization they work is also related to intent to stay (Presbitero, Roxas, and Chadee 2015). Finally, compensation and benefits has also been found to be positively related to intent to stay (Johari et al. 2012).

The aforementioned findings support the idea that workers have various needs and that the extent to which these needs are met influence their decision to stay in the organization, or seek opportunities elsewhere. Many of these findings, however, are based on studies on employees of for-profit and non-profit organizations. This study seeks to contribute to knowledge by employing a mixed method approach to obtain data on the needs of social enterprise workers and empirically test the relationship between motivational needs and intent to stay.
Framework and research problems

This research explored the motivation of social enterprise workers using the lens of needs theory and role theory of motivation. We posit differences in motivational needs according to job level and examine their influence on intent to stay. Specifically, we seek to answer the following questions:

1. What needs motivate people who work in social enterprises?
2. Are there differences in the extent to which these needs are met for workers in various job levels?
3. To what extent is the fulfillment of these needs related to the intent to stay of workers in different job levels?

Methodology and results

Research design

The study used a sequential mixed-method exploratory approach consisting of two phases. In the first phase, interviews were conducted with social enterprise workers to explore their work motivations. Transcripts were analysed using thematic analysis. In Phase 2, a questionnaire was constructed based on the results from the interviews. This survey was distributed to various social enterprise workers in the Philippines. Results from this were used to validate findings through statistical analysis.

Phase 1

Participants. The participants were chosen by quota sampling in order to ensure good representation on the different levels of employment. Three levels were covered: founder/social entrepreneur, managerial/supervisory and staff/production. There were 11 participants for this phase (6 males, 5 females).

Materials. A set of questions was crafted to gather data on what motivates social enterprise workers. Questions include ‘Why do you work?’, ‘Describe your job’, ‘How do you feel about your job?’, ‘Have you worked for a non-social enterprise organization before?’, ‘Why did you choose to work for this particular organization?’, ‘What motivates you to work hard?’, ‘What are the most important things you get/achieve from doing this particular work?’ and ‘For me, success means _____.’ The interviews were conducted in Filipino, English or a mix of both languages, depending on the preference of the participant.

Procedure. The researchers first gave a brief overview of the research topic, then explained the procedure and estimated duration of the interview. Participants were assured that they would remain anonymous. A voluntary consent form was provided for them to sign. As token of gratitude for participating, a gift certificate worth Php 100.00 was given to each person interviewed.

Data analysis. Data was analysed using thematic analysis to identify common patterns and underlying themes on what motivate social enterprise workers. Steps include distinguishing initial themes from the transcribed data, then identifying all the pertinent data that was related to those themes (Aronson 1994). From there, data was classified further into sub-themes to get a more comprehensive picture. Finally, the themes were juxtaposed with previous literature to validate the analysis.

Results. Data from the interviews elicited 17 motivators for workers of social enterprises. These were: financial independence, self-respect, building new relationships, social impact and relevance, affinity with co-workers, support for current/future family, recognition and affirmation from others, personal preference and enjoyment, learning and capacity building, sense of meaning and fulfillment, convenience of job location, organizational loyalty, living out your faith, using time productively, pursuing your passion, equality in the workplace and confidence in your capacities. Table 1 provides the themes, conceptual definitions, operational definitions and sample quotations based on the interview (some of which have been translated to English from Filipino).
<table>
<thead>
<tr>
<th>Themes</th>
<th>Conceptual definition</th>
<th>Operational definition</th>
<th>Sample quotations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Financial independence</td>
<td>Having your own income to cover personal needs, and not relying on other people for financial support</td>
<td>Having sufficient personal income.</td>
<td>‘Because of course I want to have my own income.’</td>
</tr>
<tr>
<td>Self-respect</td>
<td>Finding pride in your work ethic</td>
<td>A job that provides a sense of self-respect</td>
<td>‘My own self-discipline. I believe in personal excellence.’</td>
</tr>
<tr>
<td>Building new relationships with them</td>
<td>Meeting new people and building relationships with them</td>
<td>Allows you to meet new people</td>
<td>‘Also, build networks for any future endeavour down the road.’</td>
</tr>
<tr>
<td>Social impact and relevance</td>
<td>Caring for the well-being of other people, and pursuing endeavours that benefit the greater good</td>
<td>Making a positive impact to society</td>
<td>‘Not just provide for both of us, but also like what we always do here, it’s always in the context of something bigger which is the community or the country.’</td>
</tr>
<tr>
<td>Affinity with co-workers</td>
<td>Feeling of oneness with and affinity towards colleagues at work</td>
<td>Liking your co-workers</td>
<td>‘Being with like-minded people. It’s like you’re one big crazy bunch. So, we kind of feed off one another.’</td>
</tr>
<tr>
<td>Support for current/future family</td>
<td>Adequately providing for the financial needs of current or future family members (like parents, siblings, spouse or children)</td>
<td>Providing for the needs of your family members</td>
<td>‘Of course, because I am also getting older. I have a girlfriend already. Once I help my family, I will of course have my own family. So I am saving money for that.’</td>
</tr>
<tr>
<td>Recognition and affirmation from others</td>
<td>Receiving gratitude and affirmation from others for the choice and quality of one’s work</td>
<td>Receiving affirmation from others for your work</td>
<td>‘Like you know, you see people very thankful that you’re doing what you’re doing. Or people are awed at what you’re doing. I mean it’s really, it’s very gratifying.’</td>
</tr>
<tr>
<td>Enjoyable work</td>
<td>Having fun and finding joy in the work activities</td>
<td>Having fun and finding joy in your work</td>
<td>‘Even if there are many other places to work, even if there are opportunities outside, I still chose to work here because it is here that I am happy.’</td>
</tr>
<tr>
<td>Learning and capacity building</td>
<td>Acquiring new knowledge, skills and capacities through work experiences</td>
<td>Being able to acquire new knowledge and skills</td>
<td>‘In the meantime, it’s not just the money that I am looking at now. It’s what I can learn in the future. Because there are a lot of things that can be taught to me that I will be able to use.’</td>
</tr>
<tr>
<td>Sense of meaning and fulfilment</td>
<td>The feeling of fulfilment from doing something worthwhile with your life</td>
<td>Feeling fulfilled because of your job</td>
<td>‘Why do I work? Well, they say in Tagalog hanapbuhay. So, finding life. Like, I am finding my reason for being.’</td>
</tr>
<tr>
<td>Convenience of job location</td>
<td>The ease of going to and from the workplace due to the accessibility of location</td>
<td>Convenience and accessibility of the job</td>
<td>‘That’s what I like, that I don’t need to travel far. Work is just here.’</td>
</tr>
<tr>
<td>Organizational loyalty</td>
<td>Affinity towards the organization one works for</td>
<td>Loyalty towards the organization you work for</td>
<td>‘We love the organizations we work for.’</td>
</tr>
<tr>
<td>Living out your faith</td>
<td>Living in line with your religious or spiritual beliefs.</td>
<td>Living out your religious or spiritual beliefs through the kind of work you do</td>
<td>‘When you see people having hope, and loving their country more, loving God more. It’s like somehow you feel that all your efforts are worth it.’</td>
</tr>
<tr>
<td>Using time productively</td>
<td>Using time in a productive manner. Not being idle.</td>
<td>Being able to use your time productively. Not being idle.</td>
<td>‘Instead of just sitting around, because you might just get a stroke by doing that.’</td>
</tr>
<tr>
<td>Pursuing your Passion</td>
<td>Seeking activities or aspirations that bring you deep happiness</td>
<td>Pursuing your passion</td>
<td>‘This business, it symbolizes her passion for her community.’</td>
</tr>
<tr>
<td>Equality in workplace</td>
<td>Sense of equal footing with other people in the workplace despite having different backgrounds or jobs</td>
<td>Feelings of equality among people in the workplace despite having different backgrounds</td>
<td>‘Here, everyone is equal. There is no poor, rich or middle class. Everyone is equal. Whether you have no education, have finished school, are pursuing your master’s degree, everyone is equal. That’s what I like.’</td>
</tr>
<tr>
<td>Confidence in your own capacities</td>
<td>Experiencing personal growth because of the job, and believing you can overcome future challenges because of this</td>
<td>Building self-confidence</td>
<td>‘But ultimately, it’s the confidence that since we deliberately chose to do this, anything else that comes down the road will be much easier. Hopefully, Right? The intangible benefit that we receive is that because we learn to love the poor, anything else that happens in our own immediate family is, for me, in my opinion, not as challenging.’</td>
</tr>
</tbody>
</table>
Phase 2

Participants. Data was collected from 325 social enterprise workers in the Philippines. Due to incomplete answers and outliers only responses from 311 workers were used. Of these, 9% were social entrepreneurs or founders, 18% were managers and 73% were from the staff or production levels. The mean age was 32 years, and there were more females (63%) than males. Participants were chosen using non-random purposive and snowball sampling. As token of gratitude for their time, a gift certificate worth Php 100.00 was given to each person who took the survey.

Participants represented at least 12 different social enterprises in the Philippines. These included community-based social enterprises, microfinance organizations, cooperatives or social businesses that create employment for or build the capacity of marginalized communities (such as urban poor, farming and fisherfolk communities). Majority are involved in market-based processes (i.e. the production, marketing or selling of products or services to the public) that have social impact, either through the people and communities that they employ or support, or the kinds products and services they offer.

Materials. Based on the needs identified in the first phase, a survey was constructed measuring the extent to which the 17 motivational needs are present. Participants were asked ‘Are these needs met in your job?’ using a 6-point Likert scale with 6 being the highest (yes yes yes) and 1 being the lowest (no no no).

Intent to stay was measured in terms of the extent to which workers saw themselves staying in the same organization. Items from the study of Langford (2009) and Presbitero, Roxas, and Chadee (2015) were used. There were three items, which include ‘I am likely to still be working in this organization in 2 years’ time’ and ‘I see a future for myself in this organization’. Participants indicated the degree to which they agree or disagree with the statements through a 5-point Likert scale, with 5 being strongly agree and 1 being strongly disagree. The Cronbach’s alpha of intent to stay was 0.84.

Demographic data such as job level and age was also collected. Given literature that turnover intent is higher for younger workers, age was used as a control variable for the regression analyses (Gursoy, Maier, and Chi 2008; Solnet, Kralj, and Kandampully 2012).

The survey was back-translated to Filipino in order to aid the understanding of some employees. The survey was available in paper format (either in English or Filipino), as well as online (English), for greater reach.

Data analysis. Descriptive statistics on the presence of the motivational needs were reported. Exploratory factor analysis using principal components analysis and oblimin rotation was conducted to identify constructs related to motivation and the degree to which they were met in their present employment in social enterprises. Cronbach’s alpha was computed to measure internal reliability for each of the constructs generated.

One way analysis of variance and the post hoc test Dunnet T3 were then used to examine differences among the job levels. Hierarchical regression was conducted per group to see the effect of the independent variables (presence of the motivational needs) on intent to stay using age as control variable.

Results. From the initial 17 needs, one item (recognition and affirmation from others) was dropped because it loaded on multiple factors. Upon running factor analysis again with the remaining 16 items, items loaded on two factors corresponding to intrinsic and extrinsic needs. The constructs are reliable with Cronbach’s alpha being 0.92 and 0.77, respectively. Together, they explain 57.20% of the variance of needs. Table 2 shows the loading coefficients, variance explained and internal reliability of each factor.

Descriptive analysis was conducted to examine the extent to which the needs are met. In general, respondents gave highest marks for social impact and relevance, network building and organizational loyalty. Needs that were least met were financial independence and support for current family (see Table 3).
One-way analysis of variance was conducted to compare the effect of job level on the perceptions that their intrinsic and extrinsic motivational needs are met in the social enterprise. Results show that the effect of job level on intrinsic needs is significant, with $F(2,272) = 7.42$, MSE = 3.28 and $p < 0.05$ ($p = 0.00$). Job level did not have a significant effect on the presence of extrinsic needs, with $F(2,272) = 0.49$, MSE = 0.34 and $p = n.s.$ As seen in Table 4, post-hoc Dunnett T3 tests showed that for intrinsic needs, there was a significant difference between social entrepreneurs and staff/production workers (mean difference = 0.50, $p = 0.02$) and between managers and staff/production workers (mean difference = 0.22, $p = 0.04$). However, there was no significant difference between social entrepreneurs and managers in terms of intrinsic needs. For extrinsic motivational needs, the mean differences among the job levels were not significant.

The assumptions for regression were then tested. The levels of social entrepreneur and manager were combined into one group because the analysis of variance showed no significant differences between the two in terms of intrinsic motivations. This also allowed for the sample size requirements to be met. The sample sizes were adequate given the number of independent variables, with $N = 75$

### Table 2. Factor analysis of motivational needs.

<table>
<thead>
<tr>
<th>Intrinsic needs</th>
<th>Extrinsic needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Variance</td>
<td>47.43</td>
</tr>
<tr>
<td>Cronbach’s alpha</td>
<td>0.92</td>
</tr>
</tbody>
</table>

Network building 0.83
Learning and capacity building 0.79
Pursuing your passion 0.77
Enjoyable work 0.77
Confidence in your own capacities 0.76
Sense of meaning and fulfillment 0.76
Social impact and relevance 0.76
Organizational loyalty 0.74
Self-respect 0.72
Keeping busy 0.65
Equality in workplace 0.62
Affinity with co-workers 0.54
Living out your faith 0.53
Support for current/future family 0.90
Financial independence 0.89
Convenience of job location 0.61
Factor loadings are <0.40 suppressed

### Table 3. Means and standard deviations of motivational needs per job level.

<table>
<thead>
<tr>
<th>Social entrepreneur/founder</th>
<th>Manager</th>
<th>Production/staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Network building</td>
<td>5.37 (1.01)</td>
<td>4.94 (0.84)</td>
</tr>
<tr>
<td>Learning and capacity building</td>
<td>5.33 (0.87)</td>
<td>4.82 (0.74)</td>
</tr>
<tr>
<td>Social impact and relevance</td>
<td>5.33 (1.01)</td>
<td>5.45 (0.64)</td>
</tr>
<tr>
<td>Sense of meaning and fulfillment</td>
<td>5.29 (0.81)</td>
<td>4.68 (0.87)</td>
</tr>
<tr>
<td>Enjoyable work</td>
<td>5.29 (0.91)</td>
<td>4.75 (0.80)</td>
</tr>
<tr>
<td>Confidence in your own capacities</td>
<td>5.25 (0.90)</td>
<td>4.78 (0.86)</td>
</tr>
<tr>
<td>Self-respect</td>
<td>5.25 (0.99)</td>
<td>4.88 (0.86)</td>
</tr>
<tr>
<td>Organizational loyalty</td>
<td>5.21 (0.98)</td>
<td>4.98 (0.77)</td>
</tr>
<tr>
<td>Equality in workplace</td>
<td>5.17 (0.98)</td>
<td>4.65 (0.91)</td>
</tr>
<tr>
<td>Pursuing your passion</td>
<td>5.13 (1.18)</td>
<td>4.84 (0.81)</td>
</tr>
<tr>
<td>Keeping busy</td>
<td>4.92 (0.97)</td>
<td>5.02 (0.81)</td>
</tr>
<tr>
<td>Living out your faith</td>
<td>4.88 (0.90)</td>
<td>5.00 (0.96)</td>
</tr>
<tr>
<td>Affinity with co-workers</td>
<td>4.88 (1.04)</td>
<td>4.78 (0.70)</td>
</tr>
<tr>
<td>Recognition</td>
<td>4.67 (1.09)</td>
<td>4.29 (0.76)</td>
</tr>
<tr>
<td>Convenience of job location</td>
<td>4.50 (1.18)</td>
<td>4.37 (1.15)</td>
</tr>
<tr>
<td>Financial independence</td>
<td>3.74 (1.36)</td>
<td>4.24 (0.99)</td>
</tr>
<tr>
<td>Support for current/future family</td>
<td>3.67 (1.40)</td>
<td>4.22 (1.17)</td>
</tr>
</tbody>
</table>
for the social entrepreneurs and managers, and $N = 200$ for production and staff level employees (Hair et al. 2010). For both groups, intrinsic motivators and extrinsic motivators were all significantly correlated to the dependent variable of intent to stay, while age was significantly correlated to intent to stay only for the group of production and staff employees. There was an absence of multicollinearity among the independent variables for both groups. There were no outliers. Based on the scatter-plot, histogram and P-P Plot, the assumptions for multivariate normality, multivariate linearity and homoscedasticity were also met.

Two stage hierarchical regressions for both groups were conducted with intent to stay as the dependent variable. Age as the control variable was entered in the first stage, and the intrinsic needs and extrinsic needs factors were entered in the second stage (see Table 5).

For social entrepreneurs and managers, age did not significantly predict intent to stay in the first stage, with $F(1,71) = 0.09$. Taken altogether, intrinsic needs, extrinsic needs and age explain 44% of the variance in social entrepreneurs’ and managers’ intent to stay. Age accounts for 0.1% of the variation in intent to stay. Intrinsic and extrinsic needs explain an additional 44% in the variance of intent to stay. Results showed that for social entrepreneurs and managers, the presence of intrinsic and extrinsic motivators in the social enterprise significantly predicted their intent to stay, with $F(3,69) = 18.23$ and $p < 0.05$ ($p = 0.00$). Both intrinsic needs ($Beta = 0.54$) and extrinsic needs ($Beta = 0.23$) predict intent to stay. However, age is not a significant predictor of intent to stay.

For production and staff employees of social enterprises, age significantly predicted intent to stay in stage one, with $F(1,198) = 4.52$ and $p < 0.05$ ($p = 0.04$). Taken altogether, intrinsic needs, extrinsic needs and age explain 34.4% of the variance in production and staff employees’ intent to stay. Age

### Table 4. Analysis of variance post-hoc tests for job level and motivational needs.

<table>
<thead>
<tr>
<th>Motivation</th>
<th>Job level</th>
<th>Mean difference</th>
<th>SE</th>
<th>$p$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Intrinsic needs</td>
<td>Social entrepreneur</td>
<td>0.28</td>
<td>0.18</td>
<td>0.31</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td>-0.28</td>
<td>0.18</td>
<td>0.31</td>
</tr>
<tr>
<td></td>
<td>Staff/production</td>
<td>0.50*</td>
<td>0.17</td>
<td>0.02</td>
</tr>
<tr>
<td>Extrinsic needs</td>
<td>Social entrepreneur</td>
<td>-0.50*</td>
<td>0.17</td>
<td>0.02</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
<td>-0.22*</td>
<td>0.09</td>
<td>0.04</td>
</tr>
<tr>
<td></td>
<td>Staff/production</td>
<td>0.17</td>
<td>0.02</td>
<td>0.91</td>
</tr>
</tbody>
</table>

*Significant at $p < 0.05$.

### Table 5. Summary of regression statistics.

<table>
<thead>
<tr>
<th></th>
<th>$B$</th>
<th>SE</th>
<th>Beta</th>
<th>$t$</th>
<th>$p$</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social entrepreneurs and managers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Step 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>0.00</td>
<td>0.01</td>
<td>0.04</td>
<td>0.29</td>
<td>0.78</td>
</tr>
<tr>
<td>Step 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>0.01</td>
<td>0.01</td>
<td>0.05</td>
<td>0.52</td>
<td>0.60</td>
</tr>
<tr>
<td>Intrinsic needs</td>
<td>0.68</td>
<td>0.13</td>
<td>0.54**</td>
<td>5.36</td>
<td>0.00</td>
</tr>
<tr>
<td>Extrinsic needs</td>
<td>0.21</td>
<td>0.09</td>
<td>0.23*</td>
<td>2.29</td>
<td>0.03</td>
</tr>
<tr>
<td>Staff/production</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Step 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>0.01</td>
<td>0.01</td>
<td>0.15*</td>
<td>2.13</td>
<td>0.04</td>
</tr>
<tr>
<td>Step 2</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Age</td>
<td>0.02</td>
<td>0.01</td>
<td>0.19**</td>
<td>3.26</td>
<td>0.00</td>
</tr>
<tr>
<td>Intrinsic needs</td>
<td>0.45</td>
<td>0.09</td>
<td>0.39**</td>
<td>4.92</td>
<td>0.00</td>
</tr>
<tr>
<td>Extrinsic needs</td>
<td>0.23</td>
<td>0.08</td>
<td>0.23**</td>
<td>2.96</td>
<td>0.00</td>
</tr>
</tbody>
</table>

**Significant at $p < 0.01$; *Significant at $p < 0.05$.**
accounts for 2.2% of the variation in intent to stay. Intrinsic and extrinsic needs explain an additional 32.2% in the variance of intent to stay. Results showed that for employees in the production and staff level, the presence of intrinsic and extrinsic motivators in the social enterprise and the age of the employees significantly predicted their intent to stay, with $F(3,196) = 34.22$ and $p < 0.05$ ($p = 0.00$). Both intrinsic needs ($Beta = 0.39$) and extrinsic needs ($Beta = 0.23$) significantly predicted intent to stay. Age is a significant weak positive predictor of intent to stay with $Beta = 0.19$. The older the employee, the more likely they are to stay.

**Discussion**

This study explored the motivational needs of workers in social enterprises. Two factors emerged, corresponding to intrinsic and extrinsic motivators.

The first factor refers to intrinsic needs. Not surprisingly, social enterprise workers value work that has social impact, the sense of meaning and fulfilment that they get from their jobs and the possibility to pursue what they are passionate about. This is consistent with Hackman and Oldham’s Job Characteristics Model (1980), where experienced meaningfulness is one of the three psychological states brought about by five core job characteristics, which can lead to greater motivation and better performance in workers. These intrinsic needs further highlight the idea that social enterprise workers are others-oriented because these needs allow employees to transcend the self and create positive social change.

Research on meaningful work has shown that low psychological meaningfulness has direct effects on intention to quit, whereas doing meaningful work can reduce physical, mental and emotional stress of employees (Janik and Rothmann 2015; Knoop 1994). Meaningful work has been found to lead to work engagement, and together these two factors predict organizational commitment (Geldenhuys, Łaba, and Venter 2014). In addition, employee perceptions of corporate social responsibility of a company were associated with higher job satisfaction and greater organizational identification (De Roeck et al. 2014).

Other intrinsic needs include the need to build their network and like their co-workers. Building new relationships and liking co-workers are similar to the relatedness need of SDT (Deci and Ryan 2008) and affiliation need of McClelland (1961). Moreover, it is consistent with the findings of Christopoulos and Vogl (2015) on social entrepreneurs that social networks (the size and strength of ties) are motivational factors.

The need to use time productively, loyalty towards the organization they work for and the enjoyment of their work were also identified. Using time productively and not being idle is akin to the autonomy needs of SDT (Deci and Ryan 2008) in that being hired by an organization provides people with a greater sense of control and choice in their lives, as opposed to when they are unemployed. Organizational loyalty may be related to the third level in Maslow’s (1943) hierarchy which refers to people’s need for belonging. Enjoyable work is often how intrinsic needs are described – that is, work is done because it is inherently enjoyable for the worker.

People who work in social enterprises likewise report needs related to growth and development: the need to acquire new knowledge and skills, and a sense of confidence in your capabilities as a person. These needs are consistent with McClelland’s (1961) achievement needs, and SDT’s basic need for competence (Deci and Ryan 2008).

The intrinsic need to ‘live out your faith’ is worth noting because it is not normally included in classic motivation theories. Its inclusion may be explained by context. A great majority of Filipinos are Catholic, thus the influence of religiosity is manifested on the needs of the workers. Some social enterprises in the study had founders that are active in religious groups and view the created social enterprises as part of their mission to help the poor. In these social enterprises, spirituality is valued and embedded in activities and programmes.

The influence of context is also evident in the articulated need for equality in the workplace. The Philippines is described as having high power distance (Hofstede 1980). That is, Filipinos are generally
accepting of the inequality of power within an organization, and even in terms of social classes. That social enterprise workers cite equality as a motivational need suggests that involvement in social enterprises is empowering because the poor are often marginalized in terms of decision-making and ownership.

Extrinsic needs of social enterprise workers include the need for financial stability and the convenience of office location. Financial stability refers to both personal financial needs of employees as well as their ability to provide for the needs of their families whether in the present or in the future (i.e. for unmarried employees, financially preparing for their future spouses and children). It is a factor that is cited in many theories of need motivation. Compensation and benefits is one of the hygiene factors in Herzberg’s Theory (1968). Financial stability is also part of Maslow’s (1943) physiological and safety needs. Convenience of office location may be a salient point for some workers because many social enterprises are located in the communities themselves.

The results also suggest that extrinsic needs were scored the lowest in terms of presence compared to intrinsic needs. This is consistent with literature that many social enterprises find it difficult to provide market-rate compensation and benefits for their employees, thus relying more on non-monetary factors to keep them motivated (Doherty, Haugh, and Lyon 2014). However, results also show that there are no mean differences between social entrepreneurs, managers and staff for extrinsic motivation, suggesting that the extent to which extrinsic needs being met in social enterprises is not a function of job level.

Theoretically, recognition and affirmation from others is an extrinsic need (Amabile et al. 1994; Kasser and Ryan 2001). In this study, however, this item loaded on both internal and external motivation. One explanation for this is the interdependent construal of Filipinos, whose identities are collective and relationship-based (Peña-Alampay 2003). Studies show that relational factors predict the well-being of Asians whereas dispositional factors predict the well-being of Euro-Americans (Diener and Diener 1995). In this regard, receiving recognition and affirmation from other people would thus also satisfy intrinsic needs of Filipino social enterprise workers.

Results show that there are differences in the extent to which intrinsic motivational needs are met, with social entrepreneurs and managers having higher scores compared to staff level employees. One explanation for this is in terms of job design. Hackman and Oldham’s Job Characteristics Model (1980) suggests five elements of job design that are related to motivation: skill variety, task identity, task significance, autonomy and feedback. Given their roles, social entrepreneurs and managers may be able to use a wider variety of skills, and exercise more autonomy in how to accomplish their tasks, compared to production and staff employees. Moreover, they are more likely to have a holistic view of tasks in the social enterprise, and can see how this work impacts other people and contributes to the organization’s multiple bottomlines. Because they interact with more people within and outside the organization, they also get various and more immediate feedback about their job and the performance of the social enterprise as an organization.

Among production and staff level employees, age was positively correlated to intent to stay, and this is consistent with literature on age and turnover (Gursoy, Maier, and Chi 2008; Solnet, Kralj, and Kandampully 2012). However, this was not observed in the group of social entrepreneurs and managers. One possible explanation can be that by definition, social entrepreneurs choose to invest much of their time, effort and resources into the creation, launching and sustaining of the social enterprise.

Implications

Intrinsic and extrinsic factors significantly predict intent to stay regardless of job level. Thus, the challenge for social enterprises is to identify what needs are underprovided, and work on meeting these more. By adequately addressing all the needs of their workers from different job levels, organizations may be better able to keep employees motivated and prevent them from leaving.

Concretely, given that it had the biggest influence on intent to stay, it is important for social enterprises to address the intrinsic needs of their workers. Indeed, feelings of meaningfulness for social
enterprise workers are related to the social impact of their work (Svensson 2014). Thus, it may be beneficial to highlight the social goals of the organization not only when the employees are newly recruited, but throughout their careers. Leaders can share up-to-date information on the social contributions of the organization and make the employees feel that their work has led to this outcome, regardless of their particular job roles or position. That is, by constantly making workers see that the work they do matters in bringing positive impact to others’ lives, social enterprises are more likely to maintain their workforce and decrease turnover.

Emphasizing the social mission of the enterprise may also help fulfill workers’ needs to live out faith. This is because the act of doing good for others, especially the marginalized, is often viewed as an essential part of faith or religion. Literature on job-fit has shown that congruence of organizational and personal values predicts employees attitudes including job satisfaction, organization commitment and organization citizenship (Kuo, Cheng, and Wang 2001). In addition to this, social enterprises may also provide opportunities for workers to come together for reflection or prayer in order to fulfill this need.

With regards to intrinsic needs for learning and capacity building, Chatzimouratidis, Theotokas, and Lagoudis (2012) examined various methods for training and development in relation to several criteria such as cost, time, applicability, efficiency and employee motivation. It was found that mentorship and on-the-job training increase motivation in employees; web-based learning and on-the-job training provide learning at the least cost to the organization; and simulators and mentorship require the least amount of time. Social enterprises may wish to consider these approaches to address the development needs of their workers.

Relationships with co-workers, loyalty towards the organization and feelings of equality in the workplace may be strengthened via regular get-togethers, collaborative projects and team building activities. Building a strong organization culture may also be helpful in this regard. Moreover, the greater opportunities to network with other individuals can be addressed by engaging in partnerships with relevant sectors in society (for example, in the government and academe), or with various local and international organizations that particularly support social enterprises.

Intrinsic needs such as the need for social impact, network building and fulfilling work may be easier for social enterprises to address because of their service orientation. However, attention should also be placed on other needs. Results show that extrinsic needs, such as being able to provide for the self and for family members, is perceived as the least met. Given the financial constraints that many social enterprises face, especially in relation to traditional enterprises, providing competitive pay and benefits may always be a challenge. However, this need may be met by providing fringe benefits that are relevant to workers, such as support for further education or opportunities to augment their income through part time consultancy work with another organization (Bhati and Manimala 2011). Variable rewards and gainsharing programmes may also be considered.

Finally, results show that intrinsic needs are met more among social entrepreneurs and managers compared to production and staff employees. Because of this, social entrepreneurs and managers may not be cognizant of their workers’ intrinsic needs that are unmet. This highlights the importance of sensitizing leaders to the importance of finding time to communicate and listen to their employees. At the same time, assessing and caring for employee needs is also a function of human resources management personnel. Whether through focus group discussions, interviews, surveys or simply coaching discussions, it is important for social enterprises to know the extent to which they are fulfilling employee needs.

Limitations and recommendations

This study was conducted among social enterprise workers in the Philippines. Results may have reflected the particular demographics and characteristics of the country, such as having a majority Catholic population and collectivist culture (Hofstede 1980). A larger sample across various countries
is recommended in order to increase the generalizability of the results and examine the effect of culture on needs. Interviews and self-report surveys may be susceptible to bias, particularly, social desirability bias. Cross-sectional data is limited to information provided at a particular time. Thus, gathering secondary data on actual turnover would strengthen the validity of the conclusions on turnover factors.

Further studies across industries can also be done to validate factors that appear to be unique, such as the relationship of social enterprises and living out faith, and the effect of working in social enterprises on the perceptions on power distance.

**Conclusion**

This study sought to explore what motivates social enterprise workers in different job levels using the needs theory and role theory of motivation. The identified needs can be classified into intrinsic and extrinsic motivators, both of which were predictive of intent of stay. Although some needs appear to be common for all workers, there are needs that appear to be unique to social enterprise workers. This study thus contributes to literature on social enterprise workers, especially in crafting more appropriate human resource management (HRM) policies to address the needs and better motivate social enterprise workers. With a more motivated workforce, social enterprises are more likely to achieve their goals of ensuring better quality of life of social enterprise workers and addressing the issue of poverty by bringing about positive, sustainable social change.

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