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MODERATORS OF THE RELATIONSHIP BETWEEN INTRINSIC REWARDS AND JOB SATISFACTION: THE EVIDENCE FROM THE REPUBLIC OF SRPSKA

Moderatorske varijable odnosa između intrinzičnih nagrada i zadovoljstva poslom: podaci iz Republike Srpske

ABSTRACT: *The paper investigates the relationship between intrinsic rewards and work-related attitude (job satisfaction) as well as possible moderators of this relationship, such as: age, gender, education level, position (managerial/non-managerial), length of total work experience, tenure in the organisation, type of organisation's business activity, company size and ownership structure of the company. We used data collected via questionnaire filled-in by 738 employees working in 283 different companies in the Republic of Srpska. Results indicate that there is a strong positive correlation between intrinsic rewards and job satisfaction. Furthermore, the results revealed that, among selected individual and organisational factors, only 3 factors – education level, managerial/non-managerial position and ownership structure of the company moderate the relationship between intrinsic rewards and job satisfaction in the selected sample.*

KEY WORDS: *intrinsic rewards, work-related attitudes, job satisfaction, moderating variables*

APSTRAKT: *U radu se istražuje odnos između intrinzičnih nagrada i radnih stavova (zadovoljstva poslom), kao i moguće moderatorske varijable ovog odnosa, kao što su: starost, pol, nivo obrazovanja, pozicija (menadžerska/nemenadžerska), dužina ukupnog radnog staža, dužina radnog staža u organizaciji, vrsta poslovne aktivnosti organizacije, veličina organizacije i struktura vlasništva nad kompanijom. Koristili smo podatke prikupljene upitnikom koji je popunilo 738 zaposlenih u 283 različite kompanije u Republici Srpskoj. Rezultati sugerišu da postoji jaka pozitivna korelacija između intrinzičnih nagrada i zadovoljstva poslom.*

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Šta više, rezultati pokazuju da među izabranim individualnim i organizacionim faktorima samo tri faktora – nivo obrazovanja, menadžerska/nemenadžerska pozicija i struktura vlasništva nad kompanijom – imaju moderatorski uticaj na odnos između intrinzičnih nagrada i zadovoljstva poslom u izabranom uzorku.

KLJUČNE REČI: *intrinzične nagrade, radni stavovi, zadovoljstvo poslom, moderatorske varijable*

Introduction

Starting back from the beginning of the 20th century and the inputs received from the Scientific management school organisations traditionally have extensively used various extrinsic rewards, such as money, benefits, job security, promotions, friendly relationships with co-workers and supervisors, and good working conditions (Kalleberg, 1977) to attract, retain, motivate and engage employees, believing that appropriately designed and managed extrinsic reward system was the key in resolving all employee issues successfully (Allen & Helms, 2001). However, since that time, when work was considered to be highly monotonous in its nature and often consisted of repetitive and highly prescribed routine tasks, the reason why extrinsic rewards were sufficient and effective in motivating employees (Pink, 2009), many significant business, labour and social developments have changed the nature of work and the working environment placing greater importance on knowledge and service-based industries (Armstrong & Brown, 2009). Tied to the changing nature of jobs, economic downturn and the increasingly competitive nature of the global marketplace, organisations have begun re-examining traditional reward methods (Jacobs, Renard & Snelgar, 2014) in a way that intrinsic rewards are becoming more and more important in providing lower turnover rates (Tsui & Wu, 2005) and increased employee satisfaction (Nujjoo & Meyer, 2012).

Many studies confirmed that intrinsic rewards are powerful determinants of job satisfaction (Rehman, Khan, Ziauddin & Lashari, 2010; Katz, 1978) across all occupational groups (Mottaz, 1985).

On the other hand, there is extensive, but highly controversial evidence regarding the factors that might moderate the relationship between intrinsic rewards and job satisfaction (e.g. age, gender, level of education, type of industry, organisational size, etc.), and consequently there is no consensus among both academicians and practitioners about generally accepted moderators of this relationship. Therefore, in this paper we attempt to examine the nature and strength of the relationship between intrinsic rewards and job satisfaction as well as possible factors that might moderate that relationship. For that purpose, we analysed data obtained from a large number of employees working in companies in different industries in the Republic of Srpska.

The paper is divided into 5 sections. Theoretical framework of the analysis and proposed hypotheses are provided in Section 2. Section 3 describes research methodology including context, questionnaire, sample, measures, data, and statistical techniques used. Research findings are presented in Section 4, whereas

discussion and implications of the study are presented in Section 5. Finally, Section 6 contains conclusions, limitations of the study and points out possible directions for future research.

Theoretical background

Intrinsic rewards

Employee reward is about how people are rewarded in accordance with their value to an organisation and includes both monetary and non-monetary rewards (Armstrong, 2003). Delineation between intrinsic and extrinsic rewards was recognised for the first time during 1950s by Herzberg (Herzberg, Mausner, Peterson & Capwell, 1957; Herzberg, Mausner & Snyderman, 1959), who suggested two types of rewards: (a) intrinsic or job content factors (related to the job itself) such as achievement, recognition, and advancement (so-called *motivators*), and (b) extrinsic or job context factors (factors around the job, settled within the working environment) such as pay, job security, and working conditions (so-called *hygiene factors*). During 1960s and 1970s the intrinsic-extrinsic dichotomy of work rewards has been incorporated into some versions of expectancy theory suggesting that intrinsic and extrinsic rewards influence motivation through two entirely different psychological mechanisms (Atkinson, 1964; Lawler & Suttle, 1973). Kanungo & Hartwick (1987) offered rather different view of intrinsic-extrinsic dichotomy of rewards focusing on who is administering or mediating the reward as opposed to focusing on the relation between the activity and the reward. According to them, self-administrated rewards are intrinsic while rewards from others are extrinsic. They suggested that researchers still disagree on how to categorize various rewards. In their Self-Determination Theory, Deci & Ryan (1985) suggested distinction between intrinsic motivation, which refers to doing something because it is inherently interesting or enjoyable, and extrinsic motivation, which refers to doing something because it leads to a separable outcome.

According to Kalleberg (1977) intrinsic rewards or job rewards “refers to those characteristics associated with the task itself-whether it is interesting, allows the worker to develop and use his/her abilities, to be self-directive and whether the worker can see the results of the work. Valuation of this dimension thus reflects the worker’s desire to be stimulated and challenged by the job and to be able to exercise acquired skills at work” (p. 128).

In this paper we used delineation of intrinsic rewards suggested by Mottaz (1985), who made distinction between three types of intrinsic rewards, as follows:

1. *Task significance* (TS) – employees doing work that is beneficial and helpful for others (Hackman & Oldham, 1974; Brickson, 2005; Morgeson & Humphrey, 2006; Colby, Sippola & Phelps, 2001);
2. *Task autonomy* (TA) – the degree of independence and freedom in scheduling of work and determined procedures that employees carry out at work (Hackman & Oldham, 1980; Spreitzer, 1996);
3. *Task involvement* (TI) – degree of how much task is interesting and challenging (Rehman et al., 2010).

Job satisfaction

Job satisfaction is the most frequently defined as “... a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences” (Locke, 1976: 1304); it is comprised of individual’s affective experiences (emotion or affect) and person’s belief structures (recognition or thinking) connected to the job he/she does (Weiss & Cropanzano, 1996). These two elements – emotion (or affect) and recognition (or thinking) – are set in all definitions of job satisfaction (Saari & Judge, 2004; Lan, Okechuku, Zhang & Cao, 2013), the reason why job satisfaction has its cognitive and behavioural dimensions – it is developed through affective and cognitive reactions of employees to their jobs (Locke, 1969; Organ & Near, 1985; Judge & Ilies, 2004; Rich, Lepine & Crawford, 2010). It comprises what an employee feels and what he thinks about different aspects of his job (Rayton & Yalabik, 2014). According to Weiss & Cropanzano (1996), interplay of person’s emotional experience at work and his abstract beliefs about his job in such a way that „affective experiences and belief structures result in the evaluation we call job satisfaction“ (p. 2).

The level of job satisfaction is generally influenced by the personality and personal traits (they predict whether the thoughts and feelings about the job are positive or negative), personal values (reflect beliefs of an individual about his desired results on the job and how he should behave on the job), working context (e.g. job design, interpersonal relations, working conditions, compensation, etc.), and social influence from colleagues, family, trade unions, *esprit de corps*, etc. (Greenberg & Baron, 1995; George & Jones, 2002; Shuck, Reio & Rocco, 2011; Stringer, Didham & Shantapriyan, 2011; Halepota & Shah, 2011).

Job satisfaction is associated with the productivity, worker absenteeism and staff mobility, and depends on the content of the work and the context in which work is carried out (Koustelios & Kousteliou, 2001; Halepota & Shah, 2011); it is also associated with the reduction of errors in the workplace and turnover intentions of employees (Zournatzi, Tsiggilis, Koystelios & Pintzopoulou, 2006), and the motivation (Ayub & Rafif, 2011). Some authors claim that job satisfaction is only moderately correlated with motivation, job involvement, affiliation with organisation and turnover, and strongly with perceived stress on the job and organisational commitment (Kreitner & Kinicki, 2002: 196; Scott & Taylor, 1985).

The relationship between intrinsic rewards and job satisfaction

The relationship between intrinsic rewards and job satisfaction is attracting increasing attention from many researchers for years. Many studies confirmed that intrinsic rewards are positively linked to the employee satisfaction (Abbas, Khan & Hussain, 2017; Danish & Usman, 2010). Previous research suggested that more autonomy in the job (Ravinder & Browne, 1977; Nguyen, Taylor & Bradley, 2003; Linz & Semykina, 2012) as well as task variety, identity and task significance (DeCarlo & Agarwal, 1999) increase the satisfaction of the employees. Therefore, we propose the following:

H1: *There is a strong positive linear relationship between intrinsic rewards (IR) and job satisfaction (JS).*

Deeper understanding of the relationship between two variables often requires investigation of possible moderator variables that affect the direction and/or strength of the relationship (as well as correlation) between two variables. Relevant research revealed that possible moderators of the relationship between intrinsic rewards and job satisfaction include numerous individual and organisational variables such as: employment status of respondents, company size, employment contract, type of business activity (Bednarska, 2015), age (Kalleberg & Loscocco, 1983; Brush, Moch & Pooyan, 1987; Rehman et al., 2010; Oriarewo, Agbim & Owutuamor, 2013) and gender differences (Kalleberg, 1977; Oriarewo et al., 2013). Adhering mainly to the previous studies, we added some additional individual and organisational factors and propose the following:

H2: *Age difference moderates the relationship between intrinsic rewards and job satisfaction.*

H3: *Educational level difference moderates the relationship between intrinsic rewards and job satisfaction.*

H4: *Gender difference moderates the relationship between intrinsic rewards and job satisfaction.*

H5: *The managerial–non-managerial difference in work roles moderates the relationship between intrinsic rewards and job satisfaction.*

H6: *The length of total work experience moderates the relationship between intrinsic rewards and job satisfaction.*

H7: *The tenure moderates the relationship between intrinsic rewards and job satisfaction.*

H8: *The ownership structure moderates the relationship between intrinsic rewards and job satisfaction.*

H9: *The company size moderates the relationship between intrinsic rewards and job satisfaction.*

H10: *The type of business activity moderates the relationship between intrinsic rewards and job satisfaction.*

Research methodology

Research context

The research was conducted in the Republic of Srpska, which is one of the two entities in Bosnia and Herzegovina. According to the census conducted in 2013, 1,170,342 people live in the Republic of Srpska, of which 571,812 (51.14%) are men and 598,530 (48.86%) are women.³The average age of the population is 41.72 years. Regarding education, 5.93% of the population is

3 https://www.rzs.rs.ba/static/uploads/bilteni/popis/otvorena_knjiga/Open_Book_on_Census_Second_Revised_Edition_WEB.pdf

without any education, 21.17% have a primary school education, 50.56% have high school education, while only 8.66% have a university degree. The total number of employed workers in 2013 was 238,640, while the unemployment rate was 25.21%. The majority of employees worked in private enterprises (41.48%), followed by state (36.85%) and mixed enterprises (21.37%), while the smallest number of employees worked in cooperative enterprises (0.30%). The largest share in the total number of employees was in the age group of 30 to 34 years (15.23%) and the age group from 35 to 39 years (14.99%), while the smallest number of employees belonged to the age group over 65 (0.23%) and the age group to 18 years (0.03%). The average net wage per employee in Republic of Srpska was 438 EUR, while the average annual growth rate of average wages was 3.70%. On the other hand, GDP was 5,463,754,000 EUR, while the average annual GDP growth rate in 2013 was 3.90%.⁴

The Chamber of Commerce is the only authorised institution responsible for establishing and maintaining the Business Register of the Republic of Srpska, which is defined as a single database on business entities (companies and entrepreneurs) classified into the following sixteen sectors: wood processing (5.9%); electro-chemical industry (2.75%); energy industry (1.55%); finance (1.49%); construction (11.16%); graphics and paper (2.37%); information and communication technologies (7.88%); utility and service activities (4.81%); metallurgy and metal processing (3.04%); agriculture, fisheries, food and tobacco industry (8.23%); forestry (0.01%); textiles, leather and footwear (2.41%); transport (10.11%); trade (34.11%); tourism and catering (2.64%); water management and gravel extraction (1.53%).⁵

As the Business Register is a publicly available, unique database on business entities (companies and entrepreneurs) in Republic of Srpska, the target population for empirical research has been defined on the basis of this database. Out of a total of 3,824 registered organisations (according to 2017 data), micro organisations (employing up to 5 workers) are excluded, due to the fact that they do not have clearly defined and established organisational systems. Thus, the target population is made up of a total of 1,073 organisations from the Republic of Srpska, while the target respondents are all workers employed by the organisations.

Data collection

The basic research instrument used for the data collection was a specially designed questionnaire consisting of two sections: 1) questions about the demographic characteristics of the respondents and general questions about the characteristics of the organisation in which the respondents were employed and 2) questions related to intrinsic rewards (5 questions) and job satisfaction (one question). The questionnaire, with a cover letter, was sent via e-mail to the selected

4 https://www.rzs.rs.ba/static/uploads/bilteni/popis/gradovi_opstine_naseljena_mjesta/Rezultati_Popisa_2013_Gradovi_Opstine_Naseljena_Mjesta_WEB.pdf

5 <http://www.business-rs.ba/>

organisations. The organisations were asked to forward the questionnaire to all their employees. In order to ensure anonymity of the respondents, they were asked to submit their answers directly to the researchers. The data were collected between June and November 2018.

The sample

From a total of 1,073 organisations registered by the Chamber of Commerce (with a confidence level of 95% and a marginal error of 5%), a random sample of 283 organisations was selected employing 6,983 workers. Although 794 respondents completed the questionnaire, after elimination of questionnaires with missing data the final sample of 738 respondents was defined. Thus, the response rate in research was 10.57%, which represents an acceptable response rate in organisational research (Baruch & Holtom, 2008).

Regarding the demographic characteristics of the respondents (see Table 1), the majority of the respondents were female, belonged to the age group from 26 to 35 years, had a university degree, were in the non-managerial position, belonged to the group that had 6 to 15 years of work experience, as well as to the group that had up to 5 years of work experience in the organisation in which they are currently employed.

Table 1. Research sample characteristics

Variable	Labels	n	%
Gender	male	247	33.47
	female	491	66.53
Age	Up to 25 years	41	5.55
	26–35 years	252	34.15
	36–45 years	155	21.00
	46–55 years	141	19.11
	More than 56 years	149	20.19
Education level	Primary school	11	1.49
	Secondary school	195	26.42
	High school	65	8.81
	University degree	372	50.41
	Master degree	77	10.43
	PhD	18	2.44
Position	managerial	157	21.27
	non-managerial	581	78.73
Work experience	Up to 5 years	184	24.93
	6–15 years	218	29.54
	16–25 years	143	19.38
	26–35 years	147	19.92
	More than 35 years	46	6.23
Tenure in the current organisation	Up to 5 years	306	41.46
	6–15 years	209	28.32
	16–25 years	130	17.62
	26–35 years	81	10.97
	More than 35 years	12	1.63

Note. n = the number of respondents in the sample

In Table 2 we presented the structure of the research sample according to company size, ownership structure and industry sector.

Table 2. Distribution of respondents according to the characteristics of their organisations

Variable	Labels	n	%
Size (measured by the No. of employees)	Small (up to 50 employees)	180	24.39
	Medium (51–100 employees)	383	51.90
	Large (more than 100 employees)	175	23.71
Ownership	State-owned	315	42.68
	Private	423	57.32
Sector	Wood processing	27	3.66
	Electro-chemical industry	9	1.22
	Energy industry	21	2.85
	Finance	38	5.15
	Construction	78	10.57
	Graphics and paper	7	0.95
	Information and communication technologies	97	13.14
	Utility and service activities	17	2.30
	Metallurgy and metal processing	8	1.08
	Agriculture, fisheries, food and tobacco ind.	54	7.32
	Forestry	0	0
	Textiles, leather and footwear	14	1.90
	Transport	22	2.98
	Trade	316	42.82
	Tourism and catering	24	3.25
Water management and gravel extraction	6	0.81	
Sector	Manufacture	224	30.35
	Services	514	69.65

Note. n = the number of respondents in the sample

Measures

Job Satisfaction (JS). To measure job satisfaction, we used a Global Score (Snipes, Oswald, LaTour & Armenakis, 2004), which provides a general assessment of an overall job satisfaction (Scarpello & Campbell, 1983; Fields, 2002). We used only one question (“Overall, how satisfied are you with your job?”), while respondents were expressing their level of overall job satisfaction using a five-point Likert-type scale (Likert, 1932), ranging from ‘not at all satisfied’ to ‘completely satisfied’.

Intrinsic Rewards (IR). – the independent variable representing satisfaction with IR was assessed using five defined items grouped by the IR’s types. Thus, with the IR was calculated as the mean of three scores of:

- *Task Significance (TS)*, as measured on the basis of two items: “The degree of authority delegated to you” and “The ability to communicate directly with workers in related places to do your job”;

- *Task Autonomy* (TA), as measured on the basis of one item: “The ability to influence the way you do your work and the time dynamics of the activities”, and
- *Task Involvement* (TI), as measured on the basis of two items: “Number, variety and frequency of repetition of tasks you perform” and “Complexity and challenge of tasks you perform”.

Respondents were asked to express their satisfaction by using a five-point Likert-type scale, with responses ranging from „not at all satisfied“ to „completely satisfied“.

We have conducted reliability analysis to examine internal consistency of the scales we used, by using the Cronbach’s alpha coefficient (Cronbach, 1951). Its value was calculated and compared with the reference values (Devellis, 2016), to determine the acceptability of the survey results. Based on the calculated value of the Cronbach’s coefficient ($\alpha = 0.911$), the proposed instrument shows an appropriate level of reliability and that there is an internal reliability of the scales we used. The calculated value shows that the created instrument represents a reliable scale for evaluating the IR.

Research findings

Descriptive statistics

The research results show that the respondents from the sample are, on average, satisfied with all selected variables (the rated level of satisfaction for each variable has a value above the neutral mean). If the observed variables are ranked according to the rated satisfaction level, the collected data show that the average satisfaction level of the respondents is highest with TS ($M = 3.5711$), while the respondents in the sample are least satisfied with TA ($M = 3.4787$). The highest Std. deviation in the respondents’ responses occurred for the TA ($SD = 1.10764$), while the smallest one occurred for IR ($SD = 0.94329$). Descriptive measures (Mean and Standard Deviation) for the dependent and independent variables are presented in Table 3.

Table 3. Descriptive Statistics

	N	Mean	Std. Deviation
TS	738	3.5711	.98635
TA	738	3.4797	1.10764
TI	738	3.5447	1.01182
IR	738	3.5318	.94329
JS	738	3.49	1.049
Valid N (listwise)	738		

Source: SPSS

Testing hypotheses

To test the H1 that describes the relationship between IR (TS, TA, and TI) and JS, the correlation analysis was used. Summary results are shown in Table 4.

Table 4. Summary results of the correlation analysis

			TS	TA	TI	IR	JS
Spearman's rho	TS	Correlation Coefficient	1.000	.751**	.764**	.909**	.835**
		Sig. (2-tailed)	.	.000	.000	.000	.000
		N	738	738	738	738	738
	TA	Correlation Coefficient	.751**	1.000	.742**	.918**	.768**
		Sig. (2-tailed)	.000	.	.000	.000	.000
		N	738	738	738	738	738
	TI	Correlation Coefficient	.764**	.742**	1.000	.907**	.805**
		Sig. (2-tailed)	.000	.000	.	.000	.000
		N	738	738	738	738	738
	IR	Correlation Coefficient	.909**	.918**	.907**	1.000	.872**
		Sig. (2-tailed)	.000	.000	.000	.	.000
		N	738	738	738	738	738
	JS	Correlation Coefficient	.835**	.768**	.805**	.872**	1.000
		Sig. (2-tailed)	.000	.000	.000	.000	.
		N	738	738	738	738	738

** . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS

Based on the calculated value of the correlation coefficient ($r_s = 0.872$) and the calculated p value ($p = 0.000$), it can be concluded that there is a direct monotonic relationship in the sample. Also, the results show that there is a strong correlation in the sample, that at any level of significance it can be concluded that there is a quantitative correlation of the observed variables (IR and JS), and that the observed relationship is statistically significant. As the results show that respondents with higher level of IR satisfaction also have higher level of overall job satisfaction (JS), the first hypothesis (which states that „there is a strong positive linear relationship between Intrinsic Rewards (IR) and Job Satisfaction (JS)“) has been supported.

If we look at the relationships between different types of IR (TI, TA and TS) and JS, it can be seen that all observed relationships are statistically significant, with the strongest correlation found between TS and JS ($r_s = 0.835$; $p = 0.000$), then between TI and JS ($r_s = 0.805$; $p = 0.000$), while the weakest correlation has been found between TA and JS ($r_s = 0.768$; $p = 0.000$).

For testing the rest of proposed hypotheses (H2-H10) we used the multiple regression analysis and the results are presented in Table 5. The findings show that the multiple regression model itself, according to ANOVA data, is statistically significant ($F = 11,279$ at the $p < 0.05$ level), meaning that the independent variable and moderators included in the model statistically significantly predict the dependent variable. The value of the multiple correlation coefficient is $R = 0.350$, and the corrected coefficient of determination is $Adj. R^2 = 0.112$, indicating that 11.2 percent of the variation in the dependent variable was explained by the predictors included in the model.

Table 5. Multiple regression model

Model Summary					
R	R Square	Adjusted R Square	SE of the Estimate		
.350	.122	.112	.988		
ANOVA					
Model	Sum of Squares	df	Mean Square	F	p
Regression	99.175	9	11.019	11.279	.000
Residual	711.276	728	.977		
Total	810.451	737			
Coefficients					
Model	Unstandardized Coefficients		Standardized Coefficients	t	p
	B	Std. Error	β		
(Constant)	4.236	.381		11.114	.000
Gender	-.010	.078	-.005	-.131	.896
Age	-.082	.068	-.097	-1.192	.234
Education level	.166	.038	.175	4.397	.000
Position	-.543	.095	-.212	-5.725	.000
Work experience	.099	.073	.117	1.349	.178
Tenure	-.004	.050	-.004	-.077	.938
Sector	-.079	.079	-.034	-.991	.322
Size	.058	.057	.038	1.027	.305
Ownership	-.194	.078	-.092	-2.472	.014

Source: SPSS

The results show that only three variables had a unique statistically significant contribution to the explanation of the model (variation of the dependent variable JS with changes of the independent variable IR): education level ($\beta = 0.175$; $p = 0.000$), position ($\beta = -0.212$; $p = 0.000$) and ownership ($\beta = -0.092$; $p = 0.014$). Thus, based on the results of multiple regressions, it can be concluded that the education level, position and ownership are the moderators of the relationship between IR and JS, so the hypotheses H3, H5 and H8 were supported.

Discussion and implications

The present study sought to expand our understanding of the relationship between intrinsic rewards and job satisfaction. The results supported the hypotheses about existence of strong positive relationships between Intrinsic Rewards (IR) and Job Satisfaction (JS). This finding fully supports the results of previous studies about the relationship between intrinsic reward and job satisfaction presented in table 8. Among three investigated intrinsic rewards dimensions, task significance (TS) seems to be the most strongly positively associated with Job satisfaction ($r_s = 0.835$), indicating that variations (increase or decrease) in this dimension score are considerably associated with variations in job satisfaction score (increase or decrease, respectively). At the same time, the results also indicated strong positive correlations of Task Involvement (TI) and Task autonomy (TA) with JS ($r_s = 0.805$ and $r_s = 0.768$, respectively).

The regression analysis demonstrated that out of 9 investigated individual and organisational factors (age, gender, tenure, education level, position, work experience, industry sector, size, and ownership structure) only three in total – two individual (education level and position within the organisational hierarchical structure) and one organisational (the ownership structure) – are actually proven to moderate the relationship between intrinsic rewards and job satisfaction in the selected sample.

Regarding the moderating role of the gender of respondents, there is a controversial evidence. Our results are in line with the study of Bednarska (2015), indicating that gender is not a statistically significant moderator of the observed relationship; however, the study conducted by Oriarewo et al. (2013) proved that gender is statistically significant moderator of the relationship between IR and JS (see Table 8), why we believe that there is still a room for investigating the gender as a moderator of the relationship between IR and JS in future research.

In contrast to previous studies, which prove that age is a statistically significant moderator of the relationship between IR and JS (Rehman et al., 2010; Oriarewo et al., 2013), our findings show the opposite: age of respondents does not moderate the relationship between IR and JS. When it comes to the size and activity of the organisation, our results are not in line with the results of previous research (Bednarska, 2015) that the size and activity of the organisation are statistically significant moderators of the relationship between IR and JS.

These results have a number of implications. Firstly, they add to our understanding of the intrinsic rewards or job context factors which are of importance for employees to feel more satisfaction from their jobs. By investigating the relationships between three job dimensions and job satisfaction, we have shown that Task significance dimension plays the most important role when designing jobs with positive organisational outcomes. The results show

that Task involvement and Autonomy also play important roles. This results may contribute to management of companies in the Republic of Srpska to attract and retain high-achieving and productive employees through designing of an working environment where intrinsic rewards are highly valued and promoted, which, in turn, would allow for a fit between the role expectations of employees and their working environment to be reached, as suggested by Morgeson and Dierdorff (2011).

Secondly, we add some new understanding of factors moderating the relationship between IR and JS. The influence of moderators on the relationship between IR and JS has been studied in only few studies (see Table 8), examining the influence of age (Rehman et al., 2010), age and gender (Oriarewo et al., 2013), economic trends (Khalid & Oaib, 2019), and different individual (gender, occupation, employment status, employment contract), organisational (company size, type of activity) and national factors (unemployment rate, T&T contribution to employment) on the relationship between IR and JS (Bednarska, 2015). Our findings confirm the fact that there is a plenty of room for further investigation of moderators of the observed relationship between IR and JS, since although there are only a few studies on moderators of this relationship, the obtained evidence has shown to be mainly controversial (regarding, for example, the role of gender, age, size and type of activity of the company).

Third, the findings that education level and position of the employees as well as the ownership structure of the organisation affect the strength of the relationship between IR and JS provide an insight into how to increase job satisfaction among employees by adequately using intrinsic rewards. The results show that intrinsic rewards have a more significant impact on job satisfaction among employees with higher education. Likewise, the relationship between intrinsic rewards and job satisfaction is stronger among managers than among the employees holding non-managerial positions. This relationship is also stronger among employees in state-owned organisations than among employees from privately owned organisations. Among all mentioned moderators, the position of the employees has the greatest influence on the strength of the relationship between intrinsic rewards and job satisfaction, while the ownership structure has the least influence. Thus, based on the results, it can be concluded that managers who wish to increase job satisfaction through intrinsic rewards should pay particular attention to employees in managerial positions and to those with high levels of education. In addition, the relationship between intrinsic rewards and job satisfaction is stronger in state-owned organisations.

Table 8. Theoretical, methodological and conceptual aspects of studies examining the relationship between IR and JS

N.	Authors	Independent variable	Dependent variable	Moderators	Method	Respondents	Data source	No of org	No. of resp	Country	Correlation (IR-JS)
1.	Riasat, Aslam & Ali Nisar, 2016	intrinsic rewards, extrinsic rewards	<i>job satisfaction, job performance</i>	-	quantitative / questionnaire	doctors and nurses of health sector from different private, government, civil hospitals and Army hospital	+	10	320	Pakistan	+
2.	Danish, Khan, Shahid, Raza & Humayon, 2015	intrinsic rewards	intrinsic motivation, extrinsic motivation, employee performance, job satisfaction	-	quantitative / questionnaire	personnel employed in public and private sector banks	+	-	290	Pakistan	+
3.	Rafiq, Javed, Khan & Ahmed, 2012	intrinsic rewards, extrinsic rewards	job satisfaction	-	quantitative / questionnaire	call centre employees working in different telecom organisations	+	4	210	Pakistan	+
4.	Tausif, 2012	intrinsic rewards (task autonomy, task significance, task involvement, opportunities to learn new things, recognition)	job satisfaction	-	quantitative / questionnaire	employees of public and private banking sector	+	-	263	Pakistan	+
5.	Rasool, Jundong & Sohail, 2017	intrinsic rewards (recognition, achievement, challenging work), extrinsic rewards	job motivation, job satisfaction	-	quantitative / questionnaire	expatriates working in multinational companies	primary, secondary	-	225	China	+

N.	Authors	Independent variable	Dependent variable	Moderators	Method	Respondents	Data source	No of org	No. of resp	Country	Correlation (IR-IS)
6.	Rehman, Khan, Ziauddin & Lashari, 2010	rewards (intrinsic rewards – task autonomy, task significance, task involvement), extrinsic rewards	job satisfaction	age differences (+)	quantitative / questionnaire	full time employees of Faisalabad Electric Supply Company	+	1	84	Pakistan	+
7.	Oriarewo, Agbim & Owutuamor, 2013	job rewards (intrinsic rewards, extrinsic rewards)	job satisfaction	age differences (+), gender differences (+)	quantitative / questionnaire	bank employees	+	18	247	Nigeria	+
8.	Ajmal, Bashir, Abrar, Khan & Saqib, 2015	intrinsic rewards, extrinsic rewards	employee attitudes (job satisfaction, organisational commitment)	-	quantitative / questionnaire	employees of public and private banking sector	+	-	230	Pakistan	+
9.	Abbas, Khan & Hussain, 2017	intrinsic rewards (task significance, task involvement, task autonomy), organisational rewards, social rewards	job satisfaction	-	quantitative / questionnaire	employees of five private sector universities and eight private sector banks	+	13	240	Pakistan	+
10.	Morgan, Dill & Kalleberg, 2013	intrinsic rewards (input into job tasks, meaning of job tasks, supervisor support of job tasks, co-worker support), extrinsic rewards	job satisfaction, intent to stay	-	quantitative – qualitative / questionnaire, interview, focus group	frontline workers in healthcare organisations	+	25	1006	USA	+
11.	Khalid & Oaib, 2019	intrinsic reward (autonomy, job involvement, growth opportunities), extrinsic rewards	job satisfaction	economic trends (+)	quantitative / questionnaire	faculty members working in higher education institutions	+	167	2160	Pakistan	+

12.	Khan, Shahid, Nawab, & Wali, 2013	intrinsic rewards, extrinsic rewards	job satisfaction, job performance	-	quantitative / questionnaire	employees of public and private banks	+	3	120	Pakistan	+
13.	Mottaz, 1985	intrinsic task rewards, extrinsic social rewards, extrinsic organisational rewards	job satisfaction	-	quantitative / questionnaire	full-time employees working in different organisations	+	6	1385	USA	+
14.	Bednarska, 2015	job characteristics (intrinsic and extrinsic characteristics)	job satisfaction	individual (gender, occupation, employment status (+), employment contract), organisational (company size (+), type of activity (+)), national factors (unemployment rate, T&T contribution to employment (+))	quantitative / questionnaire	residents of EU-28 Member States	secondary data	-	44000	28 countries	+

Conclusions

The main purpose of this paper was to investigate the nature and strength of the relationship between intrinsic rewards and job satisfaction, as well as to examine the influence of various factors that could moderate the observed relationship. The results of a study conducted on a sample of 738 respondents in the Republic of Srpska confirmed the results of previous studies and proved that there is a strong positive relationship between intrinsic rewards and job satisfaction. However, the results about the moderators of the investigated relationship differ when compared with the previous research. Our research findings from the Republic of Srpska indicate that age, gender, work experience, tenure, size and activity of the organisation are not likely to play moderating role of the observed relationship, whereas the factors such as education level, position and ownership structure are proved to be statistically significant moderators.

Although there are a few studies that have examined the relationship between IR and JS, our study has made some contributions through investigating the impact of numerous factors on the observed relationship. Thus, the results of the research pointed to the importance of additional moderators which have not been included in the previous research, which expands the existing knowledge about the relationship between intrinsic rewards and job satisfaction and its moderators. Also, an additional contribution of this study we may find in the fact that significant correlation between IR and JS was confirmed on a sample that included a large number of workers employed by a number of different organisations (unlike previous research conducted on samples of respondents coming from one organisation or from several organisations performing the same activity).

The paper also made some contributions to the practice. By using the created scale, managers of different organisations can evaluate the satisfaction of the employees with existing intrinsic rewards, as well as their satisfaction with the job dimensions such as task significance, task autonomy and task involvement. By changing the characteristics of the intrinsic rewards, the managers would be able to increase the overall job satisfaction through increasing the satisfaction with intrinsic rewards and their components, and thereby to reduce possible negative outcomes following the employee dissatisfaction.

However, this paper suffers from certain limitations which have to be taken into account in future research. The first limitation relates to the way in which selected variables were measured. The variable Intrinsic Rewards (IR) was measured through the employee satisfaction with IR, and not on the basis of information about the existing intrinsic rewards in organisations. Therefore, we believe that data about existing intrinsic rewards and their characteristics in a particular organisation should also be collected to provide for a deeper analysis of how different characteristics of intrinsic rewards affect satisfaction with these characteristics and, thus, the overall job satisfaction. Another limitation concerns the chosen research method. Although the choice of a survey method has numerous advantages, it does not allow a deeper analysis of intrinsic rewards

at the level of individual business organisations, so it would be useful to employ other methods allowing for a deeper analysis at the level of individual business organisations. A third limitation is related to the characteristics of the selected sample in comparison to the whole “population” of employees in companies of Republic of Srpska. Although there are no exact data, it is not likely that 66.53% of them are female, 50.41% university educated, while 42.82% of the companies are from tradeselector. The fourth limitation relates to the way the research was conducted. Since the questionnaire was sent via e-mail to the organisations selected in the sample, asking them to forward it to all workers employed by the organisation, there was a doubt whether the questionnaires were forwarded to all potential respondents. So, we believe that in future studies the questionnaires should be sent directly to the respondents’ addresses, ensuring that they are familiar with the research and its purpose. Finally, as the sample in the survey included employees from the Republic of Srpska, the generalization of the obtained results may be restricted to only one region. It would be, therefore, useful to carry out the same research in other regions (and countries) to controlling the impact of numerous regional (and national) factors (e.g. national culture, economic development, etc.).

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