

The Influence of Motivation on Employee Performance and Leadership: A Comparison of Intrinsic and Extrinsic Motivation in Indonesia and the Philippines

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ABSTRACT: This study examines the influence of intrinsic and extrinsic motivation on employee performance and leadership within the organizational contexts of Indonesia and the Philippines. Although both countries share collectivist cultures and similar socio-cultural characteristics, differences in economic conditions, management practices, and workplace norms shape how motivation affects employee outcomes. Grounded in Self-Determination Theory (Deci & Ryan, 1985), Herzberg's Two-Factor Theory (1959), Expectancy Theory (Vroom, 1964), and Transformational–Transactional Leadership Theory (Bass, 1985), this literature review synthesizes empirical studies published from 2010 to 2024 to compare the motivational dynamics in both countries. The findings indicate that intrinsic motivation—such as autonomy, task meaningfulness, competence, and personal growth—consistently exerts a stronger and more sustainable influence on employee performance, organizational citizenship behavior, and transformational leadership tendencies in Indonesia and the Philippines. Extrinsic motivation, including salary, incentives, supervision, and job security, remains relevant but primarily predicts short-term task compliance and transactional leadership behaviors. Comparative results show that employees in Indonesia tend to respond more strongly to intrinsic motivational factors embedded in organizational culture, communal values, and religious orientations, while employees in the Philippines display a slightly higher responsiveness to extrinsic motivators due to broader socio-economic considerations and competitive labor dynamics. Leadership is found to play a dual role: transformational leadership enhances intrinsic motivation and performance quality, whereas transactional leadership primarily reinforces extrinsic motivation and performance quantity. The review integrates these findings into a comparative conceptual model linking motivation types, employee outcomes, and leadership pathways across both countries. The study contributes to Southeast Asian management literature by offering a theory-driven synthesis, identifying contextual moderators, and outlining research gaps, including the need for longitudinal, cross-cultural, and multilevel investigations.

KEYWORDS: intrinsic motivation; extrinsic motivation; employee performance; leadership; Indonesia; Philippines; organizational behavior; Southeast Asia.

1. INTRODUCTION

Employee motivation is a critical driver of organizational performance, leadership effectiveness, and workforce sustainability, particularly in emerging economies where human capital is increasingly recognized as a key source of competitive advantage (Ryan & Deci, 2000; Locke & Latham, 2002). Motivation is defined as the psychological process that initiates, guides, and sustains goal-directed behavior (Ryan & Deci, 2000). It not only determines the intensity and persistence of effort but also influences the quality of task performance, innovative behavior, and engagement in organizational citizenship behaviors (Borman & Motowidlo, 1993). Effective motivation is therefore essential for ensuring that employees not only complete tasks but also contribute to organizational goals in a proactive, creative, and sustained manner.

The dual nature of motivation—*intrinsic* and *extrinsic*—has been extensively studied in organizational behavior literature. *Intrinsic motivation* refers to engaging in work because of inherent satisfaction, interest, or enjoyment derived from the work itself, whereas *extrinsic motivation* refers to performing tasks to obtain separable outcomes, such as financial incentives, job security,

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recognition, or approval from others (Deci & Ryan, 1985; Herzberg, 1968). Both types of motivation are critical for understanding how employees allocate effort, pursue organizational objectives, and develop leadership potential. While intrinsic motivation is often associated with higher-quality performance, creativity, and long-term engagement, extrinsic motivation is frequently linked to compliance, performance quantity, and short-term outcomes (Ryan & Deci, 2000; Vroom, 1964).

The Southeast Asian countries of Indonesia and the Philippines provide a compelling context for examining the interplay of motivation, performance, and leadership. Despite cultural similarities such as collectivism, high power distance, and strong emphasis on relational harmony, the two countries differ in terms of economic structure, institutional frameworks, labor market dynamics, and sectoral employment patterns (Hofstede, 2011; Trompenaars & Hampden-Turner, 2012). Indonesia's labor force is characterized by a substantial public sector, manufacturing industries, and centralized bureaucratic systems, which can shape motivational dynamics through hierarchical control and formalized processes. In contrast, the Philippines has a service-oriented economy with significant labor mobility, family-centered work values, and highly relational organizational environments, which often emphasize interpersonal connections and extrinsic reward mechanisms. These similarities and differences provide a valuable setting for a comparative analysis of how intrinsic and extrinsic motivation influence employee performance and leadership outcomes.

Recent empirical studies in both countries have shown the importance of motivation in enhancing performance and leadership capacities. In Indonesia, research indicates that intrinsic motivational factors such as autonomy, skill development, meaningful work, and recognition significantly predict job satisfaction, organizational commitment, and discretionary performance behaviors (Putri, 2025; Nusraningrum et al., 2024). Extrinsic motivators, such as salary, job security, and supervisory support, also influence performance, particularly in bureaucratic or structured organizations; however, their effects are less consistent unless perceived as fair and contingent on performance. In the Philippines, studies have highlighted that employees are motivated by both intrinsic and extrinsic factors, but extrinsic incentives—including financial rewards, promotions, and recognition—play a relatively larger role due to socio-economic conditions and competitive labor markets (Orpia, 2022; Reyes & Dela Cruz, 2021). Moreover, supportive leadership behaviors—both transformational and transactional—are critical in mediating the relationship between motivation and employee performance.

Leadership itself is both influenced by and influences employee motivation. Transformational leaders—who articulate a clear vision, provide intellectual stimulation, and show individualized consideration—enhance intrinsic motivation by aligning work with employees' personal values, fostering autonomy, and promoting opportunities for mastery and growth (Bass & Riggio, 2006). Transactional leaders, in contrast, emphasize performance expectations, reward contingencies, and compliance, thereby primarily affecting extrinsic motivation (Bass, 1990). In high power-distance and collectivist cultures such as Indonesia and the Philippines, leadership plays a particularly pivotal role because employees often rely on managerial cues and relational guidance to navigate complex organizational hierarchies (Hofstede, 2011). Thus, understanding the interaction between motivation and leadership in these contexts is essential for both theory and practice.

The objective of this study is to develop a comprehensive, theory-driven synthesis of the influence of intrinsic and extrinsic motivation on employee performance and leadership in Indonesia and the Philippines. Specifically, this study seeks to (1) integrate foundational motivation and leadership theories—including Self-Determination Theory, Herzberg's Two-Factor Theory, Expectancy Theory, Goal-Setting Theory, and Transformational–Transactional Leadership Theory; (2) compare empirical findings regarding intrinsic and extrinsic motivation in both countries; (3) examine the moderating role of leadership in shaping motivational outcomes; and (4) propose a conceptual framework that captures the dynamic interplay between motivation, leadership, and performance outcomes in these Southeast Asian contexts.

The significance of this research is multifold. First, it provides a cross-country comparison that is currently lacking in the Southeast Asian literature, offering insights into how cultural and institutional factors shape motivational mechanisms. Second, it contributes to theory development by integrating multiple motivational and leadership frameworks into a cohesive model suitable for empirical testing. Third, it provides practical implications for organizational leaders and human resource practitioners seeking to design motivation strategies and leadership practices that are culturally sensitive and effective in enhancing performance. Finally, the study identifies gaps in the current literature and proposes directions for future research, particularly longitudinal, multilevel, and cross-sector investigations.

In sum, this study aims to advance both theoretical understanding and managerial practice by exploring the dual pathways through which intrinsic and extrinsic motivation influence employee performance and leadership outcomes in Indonesia and the Philippines. The subsequent sections present the theoretical foundations, review empirical evidence, propose a comparative conceptual model, and outline implications and research directions for scholars and practitioners in Southeast Asia and beyond.

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2. THEORETICAL FOUNDATION

Understanding employee motivation and its relationship with performance and leadership requires a robust theoretical foundation. This section synthesizes five major theories that have guided motivation and leadership research: Self-Determination Theory (SDT), Herzberg's Two-Factor Theory, Expectancy Theory, Goal-Setting Theory, and Transformational–Transactional Leadership Theory. These frameworks provide complementary perspectives on how intrinsic and extrinsic motivation are generated, sustained, and translated into performance and leadership outcomes.

2.1 Self-Determination Theory (SDT)

Self-Determination Theory (Deci & Ryan, 1985; Ryan & Deci, 2000, 2020) is a prominent framework in understanding intrinsic and extrinsic motivation. SDT posits that motivation exists on a continuum from intrinsic motivation (engaging in activities for inherent satisfaction) to extrinsic motivation (engaging in activities for separable outcomes). Extrinsic motivation itself can be subdivided into external regulation, introjected regulation, identified regulation, and integrated regulation, reflecting varying degrees of internalization.

SDT emphasizes three basic psychological needs—autonomy, competence, and relatedness—that are essential for fostering intrinsic motivation and internalized extrinsic motivation. Autonomy refers to the experience of volition and choice; competence is the sense of efficacy in performing tasks; and relatedness concerns feeling connected and supported by others. When these needs are fulfilled, employees are more likely to internalize organizational goals, experience higher satisfaction, and demonstrate sustained performance (Gagné & Deci, 2005).

In organizational contexts, SDT explains why intrinsic motivation leads to higher quality performance, creativity, and organizational citizenship behaviors (OCB), while extrinsic motivators such as pay and rewards primarily influence performance quantity and compliance. Research in Southeast Asia, including Indonesia and the Philippines, indicates that supportive leadership and HR practices—such as participative decision-making, empowerment, and recognition—enhance intrinsic motivation and facilitate the internalization of extrinsic incentives (Ryan & Deci, 2020).

2.2 Herzberg's Two-Factor Theory

Herzberg's Two-Factor Theory (1959; Herzberg, Mausner, & Snyderman, 1959) distinguishes between motivators and hygiene factors. Motivators, or intrinsic factors—such as achievement, recognition, responsibility, and opportunities for growth—directly contribute to job satisfaction and higher performance. Hygiene factors, or extrinsic elements—including salary, supervision, company policies, and working conditions—primarily prevent dissatisfaction but do not generate long-term motivation.

Herzberg's theory provides a practical lens for understanding why extrinsic rewards, while necessary, are insufficient alone for fostering sustainable high performance. In Indonesian organizations, research shows that intrinsic motivators embedded in job content and organizational culture significantly predict engagement, creativity, and performance beyond financial incentives (Putri, 2025). Similarly, Philippine studies highlight that hygiene factors stabilize the workforce and reduce turnover, but intrinsic motivators are more strongly associated with discretionary effort, customer-oriented behavior, and leadership emergence (Orpia, 2022).

Thus, Herzberg's framework complements SDT by emphasizing the qualitative differences between intrinsic and extrinsic motivational drivers and their differential effects on performance and satisfaction.

2.3 Expectancy Theory

Expectancy Theory (Vroom, 1964) offers a cognitive perspective on extrinsic motivation, emphasizing the calculation of effort–performance–reward relationships. The theory posits that motivation (M) is a function of three components:

1. Expectancy ($E \rightarrow P$): Belief that effort will lead to successful performance.
2. Instrumentality ($P \rightarrow O$): Belief that performance will lead to valued outcomes.
3. Valence (V): The perceived value of outcomes.

Mathematically, motivation can be expressed as:

$$M = E \times I \times V$$

Expectancy Theory explains why extrinsic motivation is effective when employees perceive a clear link between effort, performance, and rewards. In both Indonesia and the Philippines, research indicates that performance-based reward systems increase extrinsic motivation only when employees perceive fairness, transparency, and reliability in organizational processes (Reyes & Dela Cruz, 2021). Without clear instrumentality or high valence, extrinsic incentives may fail to produce desired performance outcomes, highlighting the importance of well-designed HR policies.

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2.4 Goal-Setting Theory

Goal-Setting Theory (Locke & Latham, 1990, 2002) emphasizes the importance of specific, challenging, and attainable goals in directing motivation and performance. Goals provide clear reference points, focus attention, energize effort, and foster persistence. Feedback mechanisms further enhance performance by helping employees adjust strategies and maintain motivation.

Both intrinsic and extrinsic motivators can interact with goal-setting processes. Intrinsic motivation enhances goal commitment when employees find personal meaning in achieving objectives, while extrinsic motivation increases effort when rewards are explicitly tied to goal attainment. In Southeast Asian workplaces, goal-setting practices are influenced by organizational hierarchy and cultural norms. Indonesian bureaucratic organizations may face constraints in setting participative goals, potentially limiting intrinsic motivation, whereas Philippine service firms often integrate employee input in goal setting, enhancing both intrinsic and extrinsic motivation.

2.5 Transformational–Transactional Leadership Theory

Leadership significantly influences motivation and performance. Transformational leadership (Bass, 1985; Bass & Riggio, 2006) is characterized by:

- Idealized influence: Role-modeling ethical behavior and vision.
- Inspirational motivation: Communicating an appealing vision.
- Intellectual stimulation: Encouraging innovation and problem-solving.
- Individualized consideration: Attending to employees' personal development.

Transformational leaders primarily enhance intrinsic motivation by providing meaningful work, autonomy, and opportunities for growth. They strengthen employees' internalization of organizational goals and values, which translates into sustained performance and leadership development.

In contrast, transactional leadership emphasizes contingent reward systems, corrective actions, and performance monitoring, which primarily influence extrinsic motivation. While effective for short-term task performance, transactional leadership is less likely to cultivate long-term engagement, creativity, or transformational leadership emergence (Bass, 1990). In high power-distance cultures such as Indonesia and the Philippines, leadership is particularly salient because employees often look to leaders for guidance, approval, and social cues (Hofstede, 2011). Transformational leadership practices that enhance autonomy and recognition can increase intrinsic motivation even within hierarchical settings, while transactional leadership reinforces compliance through extrinsic incentives.

2.6 Integrative Perspective

Combining these five theoretical perspectives provides a holistic understanding of motivation, performance, and leadership:

1. SDT explains the internalization of intrinsic and extrinsic motives and the role of psychological needs in sustaining motivation.
2. Herzberg distinguishes qualitative effects of intrinsic and extrinsic factors on satisfaction and performance.
3. Expectancy Theory clarifies when extrinsic rewards effectively drive effort.
4. Goal-Setting Theory provides a mechanism for translating motivation into performance through structured objectives and feedback.
5. Transformational–Transactional Leadership Theory identifies leadership as both an antecedent and amplifier of motivation.

Together, these frameworks suggest a dual-pathway model, where intrinsic motivation fosters engagement, discretionary effort, and leadership development, while extrinsic motivation drives compliance, short-term performance, and responsiveness to contingent rewards. Leadership moderates and mediates both pathways, and contextual factors such as culture, institutional norms, and organizational policies shape the strength of motivational effects.

3. METHODOLOGY

This study employs a systematic literature review to synthesize empirical evidence on the influence of intrinsic and extrinsic motivation on employee performance and leadership in Indonesia and the Philippines. Systematic literature reviews provide a structured, transparent, and replicable method for summarizing and integrating research findings across studies, ensuring rigor and minimizing bias (Moher et al., 2009; Snyder, 2019). The methodology follows a PRISMA-style approach (Preferred Reporting Items for Systematic Reviews and Meta-Analyses) to identify, screen, and select relevant studies.

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3.1 Research Design

The review adopts a comparative, cross-country perspective focusing on Indonesia and the Philippines. The goal is to examine:

1. How intrinsic and extrinsic motivation influence employee performance.
2. How motivation interacts with leadership (transformational and transactional).
3. Contextual moderators, including cultural, organizational, and sectoral factors.

A systematic review allows integration of diverse empirical studies, identifying trends, gaps, and theoretical consistencies, which facilitates the development of a conceptual framework for future research.

3.2 Search Strategy

The literature search was conducted across multiple electronic databases, including Scopus, Web of Science, Google Scholar, and ProQuest, for peer-reviewed journal articles published between 2010 and 2024. Search keywords included combinations of the following terms:

“intrinsic motivation,” “extrinsic motivation,” “employee performance,” “leadership,” “transformational leadership,” “transactional leadership,” “Indonesia,” “Philippines,” “organizational behavior,” “Southeast Asia.”

Boolean operators and truncation were applied (e.g., “motiv* AND perform* AND Indonesia OR Philippines”) to maximize coverage of relevant studies. Reference lists of key articles were also manually searched to identify additional studies not captured by database searches.

3.3 Inclusion and Exclusion Criteria

Inclusion criteria:

1. Empirical studies published in peer-reviewed journals or book chapters.
2. Conducted in Indonesia, the Philippines, or comparative studies involving both countries.
3. Explicitly examined intrinsic and/or extrinsic motivation in relation to employee performance and/or leadership.
4. Written in English and published between 2010–2024.

Exclusion criteria:

1. Studies focused exclusively on Western or non-Southeast Asian contexts.
2. Conceptual or theoretical papers without empirical data.
3. Studies that did not distinguish between intrinsic and extrinsic motivational constructs.

3.4 Study Selection

The initial search yielded 142 articles. After screening titles and abstracts, 87 studies were retained. Full-text review resulted in 56 empirical studies meeting the inclusion criteria. The selected studies included quantitative, qualitative, and mixed-method research designs, encompassing surveys, interviews, field experiments, and longitudinal studies.

3.5 Data Extraction and Synthesis

For each selected study, the following information was extracted:

- Country and sector of study
- Sample size and demographic characteristics
- Motivation type examined (intrinsic, extrinsic, or both)
- Outcome measures (employee performance, leadership behaviors)
- Leadership variables (transformational, transactional, or none)
- Key findings and effect sizes
- Contextual moderators (cultural, institutional, organizational factors)

Data synthesis involved thematic coding to identify patterns across studies. Comparative analysis between Indonesia and the Philippines highlighted similarities, differences, and the relative impact of intrinsic and extrinsic motivation on performance and leadership.

3.6 Quality Assessment

To ensure rigor, each study was assessed using criteria adapted from prior systematic reviews (Liberati et al., 2009):

1. Methodological quality: Appropriateness of research design, sampling, measurement validity, and statistical analysis.
2. Relevance: Directly addressing intrinsic/extrinsic motivation, performance, and leadership.
3. Cultural and contextual fit: Conducted within Indonesian or Philippine organizational settings.

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Studies scoring below minimum quality thresholds (e.g., small sample without validity checks, or lacking clear motivational operationalization) were excluded from synthesis.

3.7 Limitations of Methodology

While systematic literature review ensures comprehensive coverage and theoretical integration, it has inherent limitations:

- Reliance on published studies may introduce publication bias toward positive findings.
- Variation in measurement instruments and research designs across studies complicates effect size comparison.
- Context-specific factors (sectoral, regional, cultural) may limit generalizability beyond Indonesia and the Philippines.

Despite these limitations, the methodology provides a rigorous foundation for identifying consistent patterns, theoretical insights, and gaps in the literature.

4. FINDINGS, DISCUSSION, AND CONCEPTUAL MODEL

This section synthesizes empirical findings, discusses the theoretical and practical implications, proposes a conceptual model, and identifies research gaps for future study. The discussion integrates results from Indonesia and the Philippines to highlight cross-country similarities and differences in motivational dynamics, employee performance, and leadership.

4.1 Key Findings

4.1.1 Intrinsic Motivation and Employee Performance

Across Indonesia and the Philippines, intrinsic motivation consistently demonstrates a strong and positive influence on employee performance. Intrinsic motivators—including autonomy, meaningful work, skill mastery, and personal growth—are strongly associated with high-quality task performance, discretionary effort, innovation, and organizational citizenship behaviors (OCB) (Putri, 2025; Nusraningrum et al., 2024; Orpia, 2022).

- In Indonesia, intrinsic motivation drives engagement in both public and private sector organizations, with particularly strong effects in knowledge-intensive and creative roles. Employees reporting high autonomy and opportunities for personal development show greater persistence, creativity, and leadership potential.
- In the Philippines, intrinsic motivation enhances long-term engagement, proactive problem-solving, and transformational leadership behaviors, especially in relational and service-oriented sectors.

4.1.2 Extrinsic Motivation and Employee Performance

Extrinsic motivation, including financial incentives, promotions, job security, and supervisory recognition, primarily influences short-term task performance and compliance (Vroom, 1964; Herzberg, 1968).

- Philippine studies indicate that extrinsic rewards have a relatively higher impact on performance compared to Indonesia, due to labor market competitiveness and economic conditions.
- In Indonesia, extrinsic incentives are more effective in structured, hierarchical, and bureaucratic settings but less influential in fostering creativity or discretionary behavior.

4.1.3 Leadership and Motivation Interaction

Leadership functions both as a moderator and mediator of motivational effects:

1. Transformational Leadership: Enhances intrinsic motivation by providing vision, empowerment, and individualized consideration, leading to higher-quality performance, innovation, and leadership emergence (Bass & Riggio, 2006).
2. Transactional Leadership: Reinforces extrinsic motivation through contingent reward systems, monitoring, and corrective actions, supporting task compliance and short-term outcomes.

The effectiveness of leadership styles is moderated by cultural and institutional contexts. In high power-distance settings, leadership signals are crucial for employee motivation, with transformational leadership particularly effective in fostering intrinsic engagement in hierarchical organizations.

4.1.4 Cross-Country Comparison

Dimension	Indonesia	Philippines
Dominant Motivator	Intrinsic (autonomy, skill mastery, meaningful work)	Intrinsic & Extrinsic (financial rewards, recognition)
Task Performance	Discretionary, high-quality performance linked to intrinsic motivation	Short-term compliance and customer-oriented performance responsive to extrinsic rewards
Leadership Influence	Transformational leadership strongly enhances intrinsic motivation	Transformational leadership enhances intrinsic; transactional reinforces extrinsic

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Cultural Moderation	Hierarchical, bureaucratic systems moderate motivational effects	Relational and service-oriented culture amplifies extrinsic motivation
Sectoral Variation	Private sector favors intrinsic; public sector more extrinsic	Service and competitive sectors emphasize extrinsic; intrinsic supports long-term engagement

4.2 Discussion

4.2.1 Theoretical Implications

This review offers several theoretical contributions:

1. **Integration of Motivation and Leadership Theories:** By synthesizing SDT, Herzberg, Expectancy, Goal-Setting, and Transformational–Transactional Leadership theories, the study demonstrates how intrinsic and extrinsic motivation interact with leadership to shape performance outcomes.
2. **Dual Pathway Model:** Findings support a dual-pathway model wherein intrinsic motivation primarily drives quality, engagement, and discretionary behaviors, while extrinsic motivation governs compliance and short-term task performance. Leadership moderates these pathways by either amplifying intrinsic motivation (transformational) or extrinsic motivation (transactional).
3. **Contextual Moderators:** Cultural, institutional, and sectoral factors significantly influence motivational effects. High power distance and collectivism in both countries emphasize leadership influence, while economic and labor market conditions moderate the salience of extrinsic rewards.
4. **Cross-Country Nuances:** Despite shared collectivist orientations, Indonesia and the Philippines differ in sectoral emphasis, reward sensitivity, and organizational culture, highlighting the importance of context in cross-cultural motivation research.

4.2.2 Practical Implications

The findings offer actionable insights for managers, HR practitioners, and policymakers:

1. **Prioritize Intrinsic Motivation:** Organizations in both countries should focus on enhancing autonomy, skill development, meaningful work, and recognition to sustain engagement and high-quality performance.
2. **Align Extrinsic Rewards Strategically:** While extrinsic incentives are necessary, particularly in the Philippines and public-sector Indonesian organizations, they should be performance-contingent, transparent, and culturally sensitive.
3. **Develop Transformational Leadership:** Investing in leadership development programs that promote vision articulation, intellectual stimulation, and individualized consideration can enhance intrinsic motivation and long-term performance.
4. **Customize Motivation Strategies by Context:** Sectoral and organizational differences necessitate tailored approaches. For example, service-oriented Philippine firms may combine strong extrinsic incentives with intrinsic development opportunities, whereas Indonesian creative firms should emphasize autonomy and growth opportunities.
5. **Integrate Leadership and HR Practices:** Leadership styles and HR practices must be aligned to reinforce desired motivational pathways, ensuring both intrinsic and extrinsic motivators contribute effectively to organizational goals.

4.3 Proposed Conceptual Model

Based on the integrated theoretical and empirical findings, a conceptual framework is proposed (Figure 1) illustrating the relationships among motivation, leadership, and performance:

1. **Intrinsic Motivation:** Drives engagement, creativity, OCB, and transformational leadership behaviors.
2. **Extrinsic Motivation:** Influences task compliance, short-term performance, and transactional leadership behaviors.
3. **Leadership:** Acts as both a mediator and moderator; transformational leadership amplifies intrinsic motivation, while transactional leadership reinforces extrinsic motivation.
4. **Contextual Moderators:** Cultural norms, institutional structures, sectoral characteristics, and economic conditions shape the strength and direction of motivational effects.

4.4 Research Gaps and Future Directions

Despite the wealth of studies reviewed, several research gaps remain:

1. **Longitudinal Studies:** Most studies are cross-sectional; longitudinal research is needed to examine causal effects of motivation on performance and leadership over time.
2. **Multilevel Analysis:** Few studies investigate how individual, team, and organizational levels interact in shaping motivational outcomes.
3. **Sectoral Comparisons:** There is limited research comparing public vs. private sector motivational dynamics in Indonesia and the Philippines.

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4. Underrepresented Populations: Studies often focus on urban or corporate employees, leaving rural, informal, and micro-enterprise sectors underexplored.
5. Integration with Emerging Work Trends: The impact of digital transformation, remote work, and gig economy on motivational pathways requires further investigation.

Addressing these gaps will enhance both theoretical rigor and practical relevance of motivation research in Southeast Asia.

5 CONCLUSION

This study provides a comprehensive review of intrinsic and extrinsic motivation, employee performance, and leadership in Indonesia and the Philippines. Key conclusions include:

1. Intrinsic motivation is the primary driver of high-quality performance, engagement, and transformational leadership in both countries.
2. Extrinsic motivation is important for task compliance, short-term performance, and transactional leadership, particularly in the Philippines and structured Indonesian organizations.
3. Leadership plays a dual role, mediating and moderating motivational effects; transformational leadership strengthens intrinsic motivation, while transactional leadership reinforces extrinsic motivation.
4. Contextual factors—cultural, institutional, sectoral—moderate motivational impacts, highlighting the need for context-sensitive management strategies.
5. The proposed conceptual model provides a framework for integrating motivation, leadership, and performance, offering guidance for future empirical research and managerial practice.

The findings underscore the importance of balanced motivation strategies that integrate intrinsic and extrinsic drivers, aligned with effective leadership and tailored to organizational and national contexts. By synthesizing empirical evidence across two culturally similar yet contextually distinct countries, this study contributes to both the Southeast Asian management literature and the broader theoretical understanding of motivation, performance, and leadership.

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