Among all the resources of an educational institution, teachers are unquestionably the most important. Motivation plays a pivotal role in increasing the level of teacher's job satisfaction. Satisfied teachers in turn can help in improving the performance of an educational institution.

The objectives of this study were to explore various factors of low motivation of teachers and to analyze the effects of intrinsic and extrinsic motivational factors on teacher job satisfaction in public sector degree colleges of Punjab, Pakistan.

This was an exploratory study based on primary data. Questionnaire was used to collect the primary data. The profile of the respondents included all the teachers who were working in public sector degree colleges of Punjab, Pakistan.

Regression Analysis and Structural Equation Modeling (SEM) technique using Analysis of Moment Structure (AMOS) 19.0 was applied. SPSS 19.0 was used for basic analysis purpose. The results of the study indicated that although compensation and benefits package is an important factor of teacher's low motivation in public sector degree colleges of Punjab, Pakistan, but there are also some non monetary factors for example, insufficient opportunities to acquire new skills at job, lack of participation in job related decisions, over crowded class rooms, unsatisfactory work environment, lack of pre-service and in-service training programs, unsatisfactory recognition and feedback process which are contributing to low motivation of teachers in public sector degree colleges of Punjab, Pakistan.

Study concluded that there is significant relationship between intrinsic motivational factors and teacher job satisfaction. Similarly, statistically significant relationship is also found between extrinsic motivational factors and teacher job satisfaction. However, it is found that teacher job satisfaction in largely caused by intrinsic motivational factors as compare to extrinsic motivational factors. Moreover, significant difference is observed between teacher's age, designation, teaching experience and teacher job satisfaction.

The study has recommended strategies about how management can utilize intrinsic and extrinsic motivational factors as a tool to keep teachers motivated and satisfied in their jobs. The study also recommended ways by which management can eliminate low motivation amongst teachers by improving their skills, knowledge and competencies and by creating supporting learning environment, building good relationships between junior and senior teachers and involving teachers in job related decisions.

The study seems to be very useful as it provides both, the theoretical implications for the researchers interested in exploring job satisfaction in higher educational institutions in Pakistan as well as practical implications for the higher authorities within public sector higher education set up in Pakistan.