

Motivation

Early Theories of Motivation

These early theories may not be valid, but they do form the basis for contemporary theories and are still used by practicing managers.

- Maslow's Hierarchy of Needs Theory
 - Alderfer's ERG (Existence, Relatedness, and Growth)
- McGregor's Theory X and Theory Y
- Herzberg's Two-Factor Theory
- McClelland's Theory of Needs

Maslow's Hierarchy of Needs

There is a hierarchy of five needs; as each need is substantially satisfied, the next need becomes dominant.

- Levels:

- Self-Actualization
- Esteem
- Social Higher order
- Safety Lower Order
- Physiological

- Assumptions

- Individuals cannot move to the next higher level until all needs at the current (lower) level are satisfied.
- Must move in hierarchical order.

Alderfer's ERG Theory

A reworking of Maslow to fit empirical research

- Three groups of core needs:
 - **Existence** (Maslow: physiological and safety)
 - **Relatedness** (Maslow: social and status)
 - **Growth** (Maslow: esteem and self-actualization)
- Removed the hierarchical assumption
 - Can be motivated by all three at once
- Popular, but not accurate, theory

McGregor's Theory X and Theory Y

- Two distinct views of human beings: Theory X (basically negative) and Theory Y (positive).
 - Managers used a set of assumptions based on their view
 - The assumptions molded their behavior toward employees
 - Theory X
 - Workers have little ambition
 - Dislike work
 - Avoid responsibility
 - Theory Y
 - Workers are self-directed
 - Enjoy work
 - Accept responsibility
- No empirical evidence to support this theory

Herzberg's Two-Factor Theory

- Key Point: Satisfaction and dissatisfaction are not opposites but separate constructs
- Hygiene Factors - Extrinsic and Related to *Dissatisfaction*
 - Work Conditions
 - Salary
 - Company Policies
- Motivators - Intrinsic and Related to *Satisfaction*
 - Achievement
 - Responsibility
 - Growth

Criticisms of Two-Factor Theory

Herzberg says that hygiene factors must be met to remove dissatisfaction. If motivators are given, then satisfaction can occur.

- Herzberg is limited by his procedure
 - Participants had self-serving bias
- Reliability of raters questioned
 - Bias or errors of observation
- No overall measure of satisfaction was used
- Herzberg assumed, but didn't research, a strong relationship between satisfaction and productivity

McClelland's Three Needs Theory

- Need for Achievement (nAch)
 - The drive to excel, to achieve in relation to a set of standards, to strive to succeed
- Need for Power (nPow)
 - The need to make others behave in a way that they would not have behaved otherwise
- Need for Affiliation (nAff)
 - The desire for friendly and close interpersonal relationships
- People have varying levels of each of the three needs
 - Hard to measure

Performance Predictions for High nAch

- People with a high need for achievement are likely to:
 - Prefer to undertake activities with a 50/50 chance of success – avoiding very low or high risk situations
 - Be motivated in jobs that offer high degree of personal responsibility, feedback, and moderate risk
 - Don't necessarily make good managers – too personal a focus
 - Most good general managers do NOT have a high nAch
 - Need high level of nPow and low nAff for managerial success
- Good research support but it is not a very practical theory

Contemporary Theories of Motivation

- Cognitive Evaluation Theory
- Goal-Setting Theory
 - Management By Objectives (MBO)
- Self-Efficacy Theory
 - Also known as Social Cognitive Theory or Social Learning Theory
- Reinforcement Theory
- Equity Theory
- Expectancy Theory

Cognitive Evaluation Theory

Providing an extrinsic reward for behavior that had been previously only intrinsically rewarding tends to decrease the overall level of motivation

- Major Implications for Work Rewards

- Intrinsic and extrinsic rewards are not independent
- Extrinsic rewards decrease intrinsic rewards
- Pay should be noncontingent on performance
- Verbal rewards increase intrinsic motivation, tangible rewards reduce it

- Self-concordance

- When the personal reasons for pursuing goals are consistent with personal interests and core values (intrinsic motivation), people are happier and more successful.

Locke's Goal-Setting Theory

- Basic Premise:
 - That *specific* and *difficult* goals, with *self-generated feedback*, lead to higher performance.
- Difficult Goals:
 - Focus and direct attention
 - Energize the person to work harder
 - Difficulty increases persistence
 - Force people to be more effective and efficient
- Relationship between goals and performance depends on:
 - Goal commitment (the more public the better!)
 - Task characteristics (simple, well-learned)
 - Culture (best match is in North America)

Implementation: Management By Objectives

- MBO is a systematic way to utilize goal-setting.
- Goals must be:
 - Tangible
 - Verifiable
 - Measurable
- Corporate goals are broken down into smaller, more specific goals at each level of organization.
- Four common ingredients to MBO programs:
 - Goal Specificity
 - Participative decision making
 - Explicit time period
 - Performance feedback

Bandura's Self-Efficacy Theory

- An individual's belief that he or she is capable of performing a task
 - Higher efficacy is related to:
 - Greater confidence
 - Greater persistence in the face of difficulties
 - Better response to negative feedback (work harder)
 - Self-Efficacy complements Goal-Setting Theory

Increasing Self-Efficacy

- Enactive mastery
 - Most important source of efficacy
 - Gaining relevant experience with task or job
 - “Practice makes Perfect”
- Vicarious modeling
 - Increasing confidence by watching others perform the task
 - Most effective when observer sees the model to be similar to him- or herself
- Verbal persuasion
 - Motivation through verbal conviction
 - Pygmalion and Galatea effects - self-fulfilling prophecies
- Arousal
 - Getting “psyched up” – emotionally aroused – to complete task
 - Can hurt performance if emotion is not a component of the task

Reinforcement Theory

- Similar to Goal-Setting Theory, but focused on a behavioral approach rather than a cognitive one
 - Behavior is environmentally caused
 - Thought (internal cognitive event) is not important
 - Feelings, attitudes, and expectations are ignored
 - Behavior is controlled by its consequences – reinforcers
 - Not a motivational theory but a means of analysis of behavior
 - Reinforcement strongly influences behavior but not likely to be the sole cause

Adams' Equity Theory

- Employees compare their ratios of outcomes-to-inputs of relevant others
 - When ratios are equal: state of equity exists – no tension as the situation is considered fair
 - When ratios are unequal: tension exists due to unfairness
 - Underrewarded states cause anger
 - Overrewarded states cause guilt
 - Tension motivates people to act to bring their situation into equity

Equity Theory's "Relevant Others"

- Can be four different situations:
 - Self-Inside
 - The person's experience in a different job in the same organization
 - Self-Outside
 - The person's experience in a different job in a different organization
 - Other-Inside
 - Another individual or group within the organization
 - Other-Outside
 - Another individual or group outside of the organization

Reactions to Inequity

- Employee Behaviors to Create Equity
 - Change inputs (slack off)
 - Change outcomes (increase output)
 - Distort/change perceptions of self
 - Distort/change perceptions of others
 - Choose a different referent person
 - Leave the field (quit the job)
- Propositions relating to inequitable pay:
 - Paid by time:
 - Overrewarded employees produce more
 - Underrewarded employees produce less with low quality
 - Paid by quality:
 - Overrewarded employees give higher quality
 - Underrewarded employees make more of low quality

Justice and Equity Theory

- Organizational Justice
 - Overall perception of what is fair in the workplace
 - Made up of:
 - Distributive Justice
 - Fairness of outcome
 - Procedural Justice
 - Fairness of outcome process
 - Interactional Justice
 - Being treated with dignity and respect

Vroom's Expectancy Theory

The strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of the outcome to the individual.

- Important linkages:
 - Expectancy of performance success
 - Instrumentality of success in getting reward
 - Valuation of the reward in employee's eyes

Global Implications

- Motivation theories are often culture-bound
 - Maslow's Hierarchy of Needs Theory
 - Order of needs is not universal
 - McClelland's Three Needs Theory
 - nAch presupposes a willingness to accept risk and performance concerns – not universal traits
 - Adams' Equity Theory
 - A desire for equity is not universal
 - “Each according to his need” – socialist/former communists
- Desire for interesting work seems to be universal
 - There is some evidence that the intrinsic factors of Herzberg's Two-Factor Theory may be universal

Summary and Managerial Implications

- Need Theories (Maslow, Alderfer, McClelland, Herzberg)
 - Well known, but not very good predictors of behavior
- Goal-Setting Theory
 - While limited in scope, good predictor
- Reinforcement Theory
 - Powerful predictor in many work areas
- Equity Theory
 - Best known for research in organizational justice
- Expectancy Theory
 - Good predictor of performance variables but shares many of the assumptions as rational decision making