

# Chapter 5

## Theories of Work Motivation

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## Why Study Motivation?

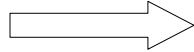
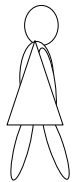
- Because of the need for increased productivity because of global competitiveness.
- Because the need for flexibility and attention to customers requires higher levels of initiative and motivation
- So, how would a good motivation theory look like? There is no single all-purpose motivation theory, a good set of theories should capture human diversity.

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# What Is Motivation?

## Basic Characteristics



- Effort
- Persistence
- Direction

**GOAL**

Randy's lecture

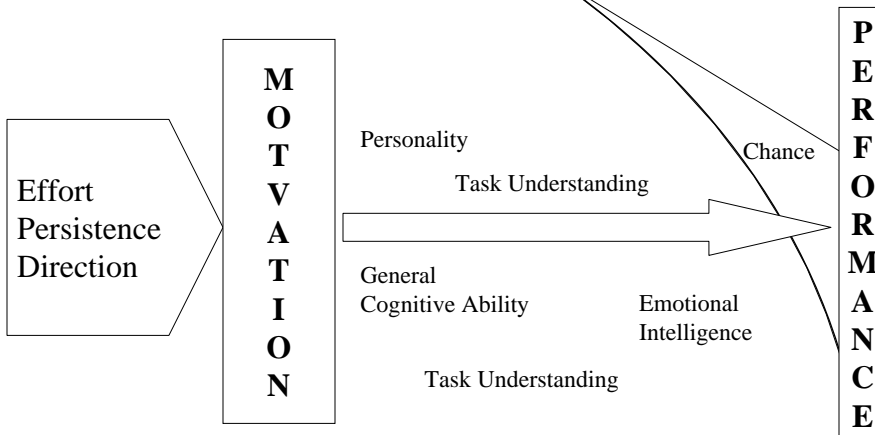
- Motivation: the extent to which persistent effort is directed toward a goal.
- Intrinsic Motivation: motivation that stems from the direct relationship between the worker and the task. It is usually self applied (feelings of achievement, accomplishment, challenge)
- Extrinsic Motivation: Motivation that stems from the work environment external to the task; it is usually applied to others (supervision, pay).
- Do Intrinsic and Extrinsic rewards affect each other negatively?

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# Motivation and Performance?

- Motivation and Performance – are they one-to-one?

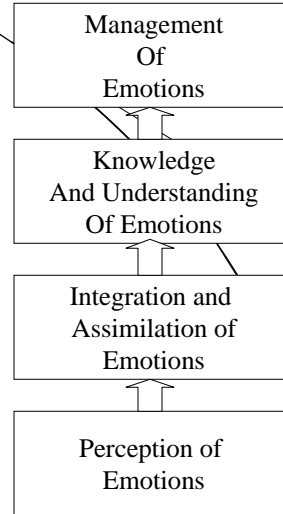


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# What is Emotional Intelligence?

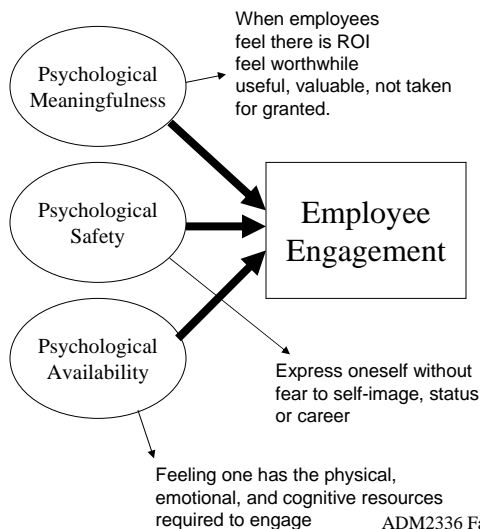
- Emotional Intelligence – ability to understand and manage one's own and other's feelings and emotions.
- **Summary:**
  - Performance can be low even if people are highly motivated.
  - In addition to personality and levels of cognitive ability and emotional intelligence, poor performance could also be due to poor understanding of the task and luck factors that damage performance.



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Salovey & Mayers model of Emotional Intelligence

# What is Employee Engagement?



- Two important components:
  - Attention & absorption
- How individuals perform their jobs rather than how motivated
- Employee Engagement - Extent to which an individual immerses his or her true self into his or her work roles.
- Factors that contribute to employee engagement
  - Psy. Meaningfulness
  - Psy. Safety
  - Psy. Availability

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# Need Theories of Work Motivation

NEEDS  $\Rightarrow$  BEHAVIOUR  $\Rightarrow$  INCENTIVES AND GOALS

↓  
Physiological and Psychological Desires



- Need Theories of Motivation
  - Maslow's Hierarchy of Needs
  - Alderfer's ERG Theory
  - McClelland's Theory of Needs
- Research Support for Need Theories
- Managerial Implications

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## Abraham Maslow 1908-1970



Maslow's Hierarchy of Needs

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# Maslow's Hierarchy of Needs

Higher Order Needs

**Self-actualization:** realization of full-potential  
TASKS THAT CHALLENGE EMPLOYEES MINDS

**Self-esteem:** self-respect, respect  
Or recognition from others, APPRECIATION

**Belongingness:** friendship, belonging,  
SPORT TEAMS, PARTIES

**Safety:** security, stability, freedom  
From harm, BENEFITS.

**Physiological:** basic life needs: food, water and  
Comfort, PAYCHECK.

Basic Needs

- Abraham Maslow developed a general theory of human motivation
  - Humans have five sets of needs that are satisfied in a hierarchy beginning from basic physiological needs to the highest order need of self-actualization.
  - The lowest-level unsatisfied need has the greatest motivating potential.
  - A satisfied need is no longer an effective motivator except for self-actualization needs.

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# Alderfer's ERG Theory

Intrinsic Motivation



**Growth**

**Relatedness**

**Existence**

Extrinsic Motivation

- Clayton Alderfer developed the need based ERG Theory.
  - Existence Needs
  - Relatedness Needs
  - Growth Needs
  - The more lower-level needs are gratified, the more higher-level need satisfaction is desired
  - The less higher-level needs are gratified, the more lower-level need satisfaction is desired.

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## McClelland's Theory of Needs

- A non-hierarchical need theory that outlines the conditions under which certain needs result in particular patterns of motivation.
  - Psychologist American David Clarence McClelland (1917-98) – is most noted for describing three types of motivational needs, which he identified in his 1961 book, *The Achieving Society*:
    - Achievement (n-Ach)
    - Affiliation (n-Aff)
    - Power (n-Pow)
- n-Ach – strong desire to perform challenging tasks well, go get the money, go win the match...
  - n-Aff – strong desire to establish and maintain friendly, compatible interpersonal relationships, think about others, don't disturb the cooperative atmosphere,
  - n-Pow – strong desire to influence others, making a significant impact or impression, I tell you what to do, let us do it this way, follow me I will show you...

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- n-Ach – person is 'achievement motivated' and therefore seeks achievement, attainment of realistic but challenging goals, and advancement in the job. There is a strong need for feedback as to achievement and progress, and a need for a sense of accomplishment.
- Challenging projects with Reachable goals, sales jobs, entrepreneurial positions, small business



- n-Pow – personal power, want to direct others; institutional Power; want to organize others to further the goals of an org'n.
- Journalism, management



- n-Aff – need harmonious relationships with other people and need to feed accepted by other people;
- Social work, customer relations, help desk

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## Research Support for Need Theories

- Research support for the progressive hierarchical theory of Maslow is weak or negative.
- Is rigid – states that most people experience the same needs in the same hierarchy.
- Fair support for a simpler two-level need hierarchy condensing needs towards the bottom and top Maslow's hierarchy.
- Alderfer's regression theory is an important contribution.
- Research results are generally supportive of McClelland's theory, particular needs are motivational when the work setting permits the satisfaction of the needs.

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## Managerial Implications of Need Theories

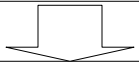
- The need theories are important in managerial attempts to motivate employees:
  - Appreciate diversity, no “typical employee” with universal needs. Survey the needs of employees and offer appropriate incentives that meet their needs.
  - Intrinsic Motivation, alerts managers to the existence of higher order needs.

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## Process Theories of Work Motivation

- Process Theories: emphasize on how motivation occurs rather than what motivates people.
- Motivation theories that specify the details of how motivation occurs.

- 
- Victor Vroom's Valence, Expectancy Theory
  - Adams' Equity Theory
  - Locke's Goal-Setting Theory

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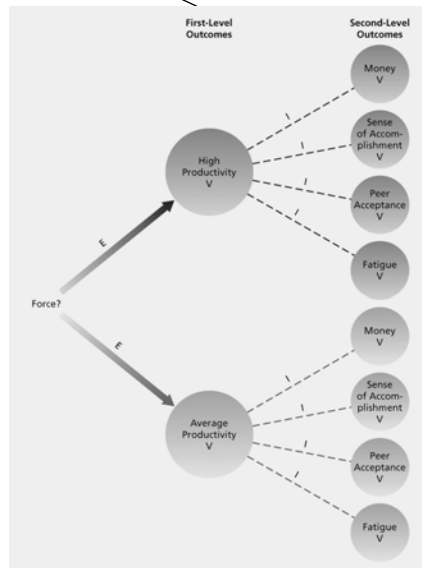
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## Victor Vroom's Expectancy Theory

- **Motivation is determined by the outcomes that people expect to occur as a result of their actions on the job.**
- **Outcomes** – Are the consequences that follow certain work behaviours.
  - 1<sup>st</sup> level outcomes – e.g., high productivity
  - 2<sup>nd</sup> level outcomes – pay, sense of accomplishment
- **Instrumentality** – The probability that a first level outcome will be followed by a particular second level outcome. If I get an A+ will I be in the Dean's honour list?
- **Valence** – Extent to which second level outcomes are attractive to the employee. Is being in the Dean's list really of value to me? Is it worth the effort?
- **Expectancy** – the prob. that the worker can actually achieve a particular first level outcome. What is the prob. that I will get an A+?
- **Force** – the relative degree of effort that will be directed toward various first-level outcomes.

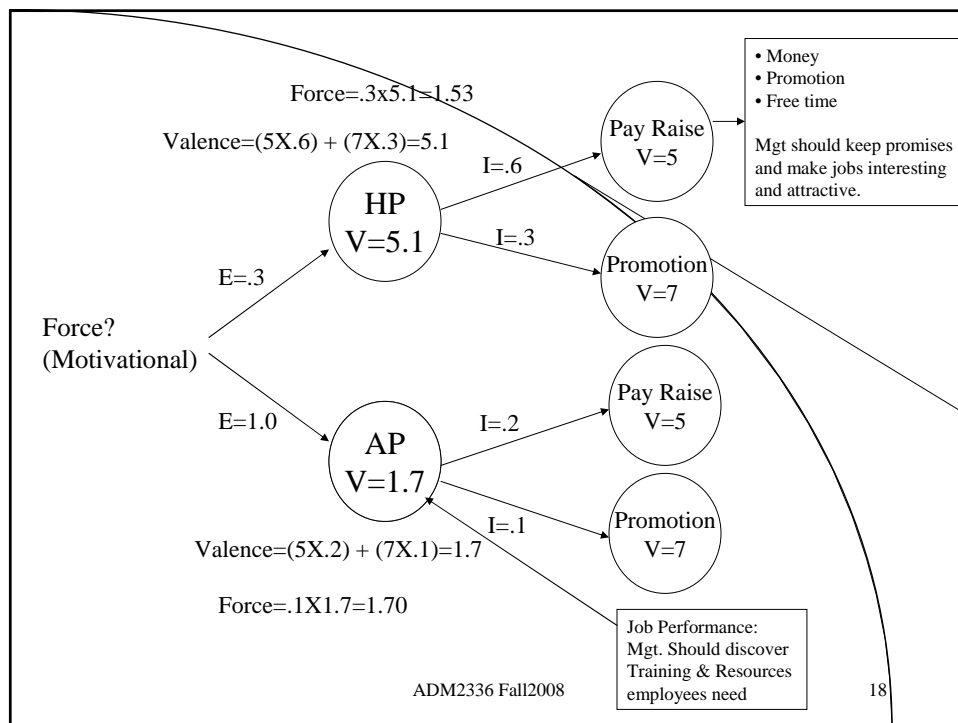
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## Research Support and Managerial Implications

- **Research Support:**

- Moderately favourable support (difficult to test). In particular there is good evidence that the valence of first-level outcomes depends on the extent to which they lead to second level outcomes.

- **Managerial Implications:**

- Boost expectancies (provide equipment, clarify good performance, evaluate performance objectively)
- Clarify reward contingencies (clarify relationship between rewards and performance)
- Appreciate diverse needs (individualized motivational packages – not all employees attach the same valences to outcomes)

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## Equity Theory

- **Equity Theory:** a process theory that states that motivation stems from a comparison of the inputs one invests in a job and the outcomes one receives in comparison with the inputs and outcomes of another person.

- Individuals are motivated to maintain an equitable exchange relationship.
- Is the organization rewarding me fairly in comparison to what I consider equals?
- Else
  - Perceptually distort one's inputs and outputs (psychological)
  - Perceptually distort inputs or outputs of comparison group (psychological).
  - Choose another comparison group (psychological)
  - Alter one's inputs or outputs (behavioral).
  - Leave the exchange relationship (behavioral).



Inputs	B.A.	M.B.A.
	JP – Average	JP – Good
Outcome	\$75,000	\$65,000

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# Equity Theory...

- **Gender and equity:** Interesting to learn that both women and men have a tendency to choose same-sex comparison persons.

- **Research support:**

- Underpayment: research is supportive when inequity occurs b/c of underpayment. For example, when workers are underpaid on an hourly basis, they tend to lower their inputs by producing less work. When workers are underpaid on a piece rate basis, they tend to produce high volume of lower quality work.
- Overpayment: theory has received less support in regards to overpayment. People either tolerate overpayment more than underpayment or they use perceptual distortion to reduce overpayment inequity.

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- **Managerial implications:**

Perceived inequity will result in negative motivational consequences including low productivity, low quality, theft or turnover. How can a balance be struck?

- Understand that feelings about equity stem from perceptual social comparison equation that is controlled by the workers.
- Understand the role of comparison people. They can be found within or without the organization. Be aware of the comparison people and find strategies to reduce inequity.

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# Goal Setting Theory

- **Introduction:** if individual performance is defined as the extent to which a member contributes to the attainment of organizational goals then it makes sense to translate organizational goals into individual goals.

- Generally speaking, personal performance goals are vague or nonexistent for many organizational members.



- **Goal Setting** – a motivational technique that uses specific, challenging and acceptable goals and provides feedback to enhance performance.

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## What kind of goals are motivational?

- Specific
- Challenging
- When there is commitment
- When there is Feedback

- **Goal specificity:** states exact level of achievement in a particular time. Increase sales by 20% in the coming quarter vs I will do my best.
- **Goal Challenge:** Set not too easy not too difficult goals. Should be pegged to individual competence. Base goals on past performance.
- **Goal Commitment:** Individuals must be committed to goals if they are to have motivational properties
- **Goal Feedback:** Feedback to compare current performance with goal is essential. To be effective feedback should be accurate, specific, credible and timely.

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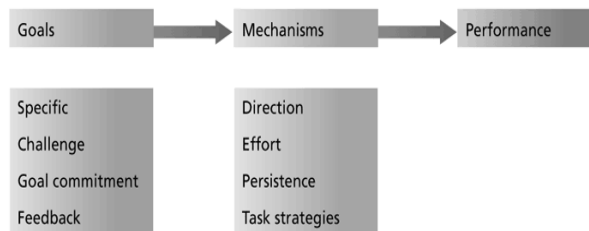
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## Positive effect of goals...

- **The positive effects of goals are due to four mechanisms:**
  - They direct attention
  - Lead to greater effort
  - Increase and prolong persistence
  - Lead to discovery and use of task relevant strategies.

**EXHIBIT 5.7**  
The mechanisms of goal setting.

Source: Locke, E.A., & Latham, G.P. (2002). Building a practically useful theory of goal setting and task motivation. *American Psychologist*, 57, 705-717.



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## Enhancing goal commitment

- **Factors that affect goal commitment:**

- Participation
- Rewards
- Supportiveness

**Participation** – when there is climate of distrust between management and workers participation in goal setting might be important. In a climate where employees trust their boss it might be unnecessary. Research shows that participation might improve performance by raising the difficulty of the goals.

**Rewards** – rewards may increase goal commitment but there is plenty of evidence that goal setting has let to performance increases without the introduction of monetary incentives.

**Supportiveness** – supervisors must demonstrate a desire to assist employees in goal accomplishment. When supervisors behave in a coercive manner to encourage goal accomplishment, they can badly damage employee goal commitment.

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## Goal Orientation

- A recent development in goal setting theory has been research on types of goals or what is known as **goal orientation**. Two goal orientations that are particularly important:

- **Learning goals** – process oriented goals that focus on learning and enhance understanding of a task and the use of task strategies.
- **Performance goals** – outcome-oriented goals that focus attention on the achievement of specific performance outcomes.

- Goal orientation has been found to be a stable individual difference.
- Individuals with LGO are most concerned about learning something new and developing their competence by acquiring new skills and mastering new situations.
- Individuals with PGO are most concerned about demonstrating their competence by seeking favourable judgments and avoiding negative judgments, they focus on the outcome of their performance.
- Research has found that LPO is especially important and leads to higher performance.

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## Research Support of GST

- Research has demonstrated that specific difficult goals lead to improved performance and productivity. However, this is only true when the employees have the knowledge and skill to perform the tasks. To the contrary setting specific and challenging goals when employees lack the knowledge or skill to perform a task can decrease performance.

## Managerial Implications GST

- Set specific and challenging goals
- The performance impact of specific and challenging goals is stronger for simple than more complex jobs
- When a task is novel or difficult, set learning goals rather than performance goals.

### Do motivational theories translate across cultures?

- Most theories that revolve around human needs will come up against cultural limitations to their generality.
- In more collectivist cultures appealing to employee loyalty might prove more motivational than the opportunity for self-expression.
- Achievement might be more group oriented than individualistic
- Intrinsic motivation might be more relevant to wealthy societies than to developing societies.

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# The End

## Have a nice day!

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