



Chapter

16 Motivating Employees



What Is Motivation?

- Motivation
 - ☐ Is the result of an interaction between the person and a situation; it is not a personal trait.
 - Is the process by which a person's efforts are energized, directed, and sustained towards attaining a goal.
 - Energy: a measure of intensity or drive.
 - Direction: toward organizational goals
 - Persistence: exerting effort to achieve goals.
 - Motivation works best when individual needs are compatible with organizational goals.

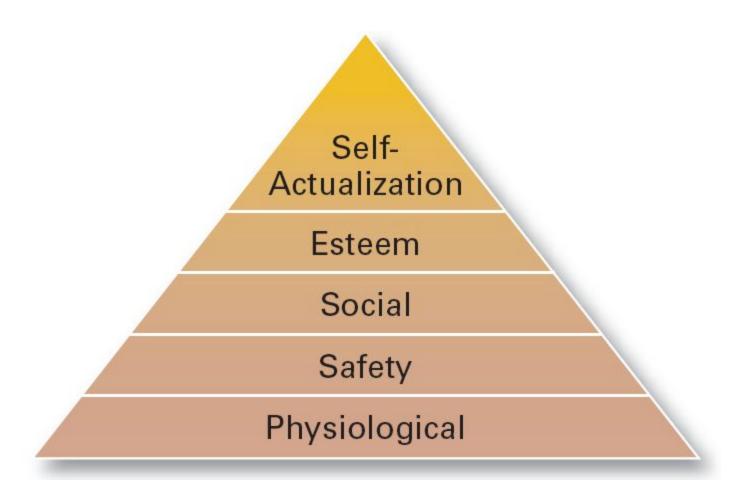
Early Theories of Motivation

- Maslow's Hierarchy of Needs
- MacGregor's Theories X and Y
- Herzberg's Two-Factor Theory

Early Theories of Motivation

- Maslow's Hierarchy of Needs Theory
 - □ Needs were categorized as five levels of lower- to higher-order needs.
 - Individuals must satisfy lower-order needs before they can satisfy higher order needs.
 - Satisfied needs will no longer motivate.
 - Motivating a person depends on knowing at what level that person is on the hierarchy.
 - ☐ Hierarchy of needs
 - Lower-order (external): physiological, safety
 - Higher-order (internal): social, esteem, self-actualization

Exhibit 16-1 Maslow's Hierarchy of Needs



Early Theories of Motivation (cont'd)

- McGregor's Theory X and Theory Y
 - ☐ Theory X
 - Assumes that workers have little ambition, dislike work, avoid responsibility, and require close supervision.
 - ☐ Theory Y
 - Assumes that workers can exercise self-direction, desire responsibility, and like to work.
 - ☐ Assumption:
 - Motivation is maximized by participative decision making, interesting jobs, and good group relations.

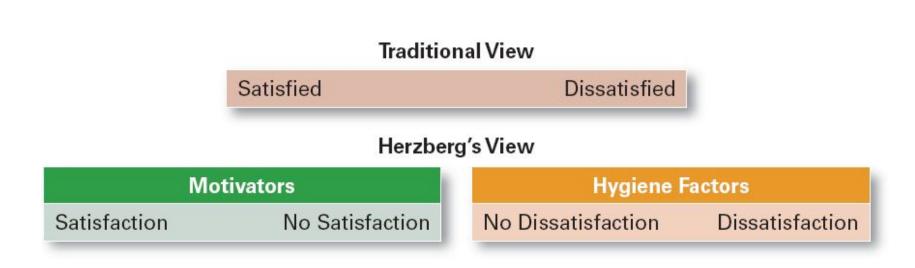
Early Theories of Motivation (cont'd)

- Herzberg's Motivation-Hygiene Theory
 - Job satisfaction and job dissatisfaction are created by different factors.
 - Hygiene factors: extrinsic (environmental) factors that create job dissatisfaction.
 - Motivators: intrinsic (psychological) factors that create job satisfaction.
 - ☐ Attempted to explain why job satisfaction does not result in increased performance.
 - The opposite of satisfaction is not dissatisfaction, but rather no satisfaction.

Exhibit 16–2 Herzberg's Motivation-Hygiene Theory

Motivators		Hygiene Factors
 Achievement Recognition Work Itself Responsibility Advancement Growth 		 Supervision Company Policy Relationship with Supervisor Working Conditions Salary Relationship with Peers Personal Life Relationship with Subordinates Status Security
Extremely Satisfied	Neutral	Extremely Dissatisfied

Exhibit 16–3 Contrasting Views of Satisfaction-Dissatisfaction



Contemporary Theories of Motivation

- Three-Needs Theory
- Goal-Setting Theory
- Reinforcement Theory
- Designing Motivating Jobs
- Equity Theory
- Expectancy Theory

Current Issues in Motivation

- Cross-Cultural Challenges
 - Motivational programs are most applicable in cultures where *individualism* and *quality of life* are cultural characteristics
 - Uncertainty avoidance of some cultures inverts Maslow's needs hierarchy.
 - Collectivist cultures view rewards as "entitlements" to be distributed based on individual needs, not individual performance.
 - □ Cross-Cultural Consistencies
 - Interesting work is widely desired, as is growth, achievement, and responsibility.

- Motivating Unique Groups of Workers
 - Motivating a diverse workforce through flexibility:
 - Men desire more autonomy than do women.
 - Women desire learning opportunities, flexible work schedules, and good interpersonal relations.

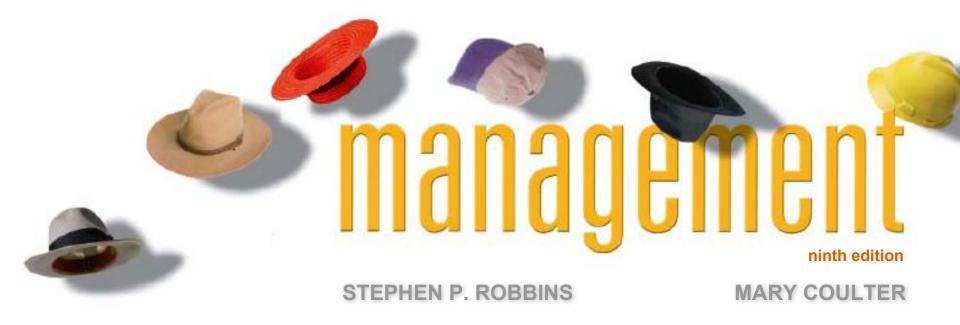
- Flexible Work/Job schedules
 - □ Compressed work week
 - Longer daily hours, but fewer days
 - ☐ Flexible work hours (flextime)
 - Specific weekly hours with varying arrival, departure, lunch and break times around certain core hours during which all employees must be present.
 - Job Sharing
 - Two or more people split a full-time job.
 - Telecommuting
 - Employees work from home using computer links.

- Motivating Professionals
 - Characteristics of professionals
 - Strong and long-term commitment to their field of expertise.
 - Loyalty is to their profession, not to the employer.
 - Have the need to regularly update their knowledge.
 - Don't define their workweek as 8:00 am to 5:00 pm.
 - Motivators for professionals
 - Job challenge
 - Organizational support of their work

- Motivating Contingent Workers
 - Opportunity to become a permanent employee
 - Opportunity for training
 - Equity in compensation and benefits
- Motivating Low-Skilled, Minimum-Wage Employees
 - ☐ Employee recognition programs
 - Provision of sincere praise

- Designing Appropriate Rewards Programs
 - Open-book management
 - Involving employees in workplace decision by opening up the financial statements of the employer.
 - ☐ Employee recognition programs
 - Giving personal attention and expressing interest, approval, and appreciation for a job well done.
 - □ Pay-for-performance
 - Variable compensation plans that reward employees on the basis of their performance:
 - Piece rates, wage incentives, profit-sharing, and lump-sum bonuses

- Designing Appropriate Rewards Programs (cont'd)
 - Stock option programs
 - Using financial instruments (in lieu of monetary compensation) that give employees the right to purchase shares of company stock at a set (option) price.
 - Options have value if the stock price rises above the option price; they become worthless if the stock price falls below the option price.





Chapter

17 Leadership



Leaders and Leadership

- Leader Someone who can influence others and who has managerial authority
- Leadership What leaders do; the process of influencing a group to achieve goals
- Ideally, all managers should be leaders
- Although groups may have informal leaders who emerge, those are not the leaders we're studying

Leadership research has tried to answer: What is an effective leader?

Early Leadership Theories

- Trait Theories (1920s-30s)
 - ☐ Research focused on identifying personal characteristics that differentiated leaders from nonleaders was unsuccessful.
 - ☐ Later research on the leadership process identified seven traits associated with successful leadership:
 - Drive, the desire to lead, honesty and integrity, self-confidence, intelligence, job-relevant knowledge, and extraversion.

Exhibit 17–1 Seven Traits Associated with Leadership

- Drive. Leaders exhibit a high effort level. They have a relatively high desire for achievement; they are ambitious; they have a lot of energy; they are tirelessly persistent in their activities; and they show initiative.
- Desire to lead. Leaders have a strong desire to influence and lead others. They demonstrate the willingness to take responsibility.
- Honesty and integrity. Leaders build trusting relationships between themselves and followers by being truthful or nondeceitful and by showing high consistency between word and deed.
- Self-confidence. Followers look to leaders for an absence of self-doubt. Leaders, therefore, need to show self-confidence in order to convince followers of the rightness of their goals and decisions.
- Intelligence. Leaders need to be intelligent enough to gather, synthesize, and interpret large amounts of information, and they need to be able to create visions, solve problems, and make correct decisions.
- Job-relevant knowledge. Effective leaders have a high degree of knowledge about the company, industry, and technical matters. In-depth knowledge allows leaders to make well-informed decisions and to understand the implications of those decisions.
- 7. Extraversion. Leaders are energetic, lively people. They are sociable, assertive, and rarely silent or withdrawn.

Source: S. A. Kirkpatrick and E. A. Locke, "Leadership: Do Traits Really Matter?" *Academy of Management Executive*, May 1991, pp. 48–60; T. A. Judge, J. E. Bono, R. Ilies, and M. W. Gerhardt, "Personality and Leadership: A Qualitative and Quantitative Review," *Journal of Applied Psychology*, August 2002, pp. 765–780.

Early Leadership Theories (cont'd)

- Behavioral Theories
 - ☐ Leadership theories that identify behaviors that differentiate effective leaders from ineffective leaders.

Exhibit 17–2 Behavioral Theories of Leadership

	Behavioral Dimension	Conclusion
University of Iowa	Democratic style: involving subordinates, delegating authority, and encouraging participation Autocratic style: dictating work methods, centralizing decision making, and limiting participation Laissez-faire style: giving group freedom to make decisions and complete work	Democratic style of leadership was most effective, although later studies showed mixed results.
Ohio State	Consideration: being considerate of followers' ideas and feelings Initiating structure: structuring work and work relationships to meet job goals	High-high leader (high in consideration and high in initiating structure) achieved high subordinate performance and satisfaction, but not in all situations.

Exhibit 17–2 (cont'd) Behavioral Theories of Leadership

	Behavioral Dimension	Conclusion
University of Michigan	Employee-oriented: emphasized interpersonal relationships and taking care of employees' needs Production-oriented: emphasized technical or task aspects of job	Employee-oriented leaders were associated with high group productivity and higher job satisfaction.
Managerial Grid	Concern for people: measured leader's concern for subordinates on a scale of 1 to 9 (low to high) Concern for production: measured leader's concern for getting job done on a scale of 1 to 9 (low to high)	Leaders performed best with a 9.9 style (high concern for production and high concern for people).

Contemporary Views on Leadership

- Transactional Leadership
 - Leaders who guide or motivate their followers in the direction of established goals by clarifying role and task requirements.
- Transformational Leadership
 - Leaders who inspire followers to transcend their own self-interests for the good of the organization by clarifying role and task requirements.
 - Leaders who also are capable of having a profound and extraordinary effect on their followers.

Contemporary Views...(cont'd)

- Charismatic-Visionary Leadership
 - An enthusiastic, self-confident leader whose personality and actions influence people to behave in certain ways.
 - ☐ Characteristics of charismatic leaders:
 - Have a vision.
 - Are able to articulate the vision.
 - Are willing to take risks to achieve the vision.
 - Are sensitive to the environment and follower needs.
 - Exhibit behaviors that are out of the ordinary.

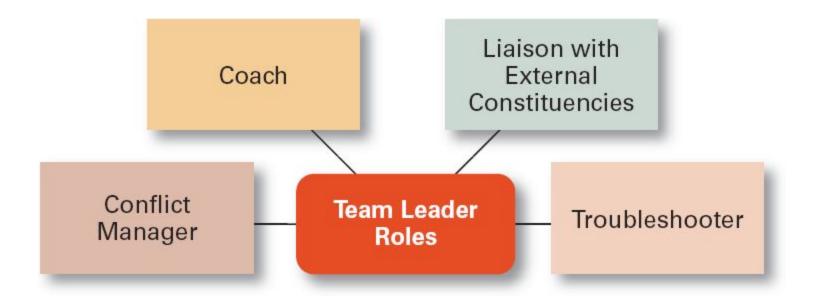
Contemporary Views...(cont'd)

- Visionary Leadership
 - A leader who creates and articulates a realistic, credible, and attractive vision of the future that improves upon the present situation.
- Visionary leaders have the ability to:
 - Explain the vision to others.
 - Express the vision not just verbally but through behavior.
 - Extend or apply the vision to different leadership contexts.

Contemporary Views...(cont'd)

- Team Leadership Characteristics
 - ☐ Having patience to share information
 - ☐ Being able to trust others and to give up authority
 - Understanding when to intervene
- Team Leader's Job
 - Managing the team's external boundary
 - ☐ Facilitating the team process
 - Coaching, facilitating, handling disciplinary problems, reviewing team and individual performance, training, and communication

Exhibit 17–8 Specific Team Leadership Roles



Leadership Issues in the 21st Century

- Managing Power
 - Legitimate power
 - The power a leader has as a result of his or her position.
 - Coercive power
 - The power a leader has to punish or control.
 - Reward power
 - The power to give positive benefits or rewards.

- ☐ Expert power
 - The influence a leader can exert as a result of his or her expertise, skills, or knowledge.
- □ Referent power
 - The power of a leader that arise because of a person's desirable resources or admired personal traits.

Developing Credibility and Trust

- Credibility (of a Leader)
 - ☐ The assessment of a leader's honesty, competence, and ability to inspire by his or her followers

Trust

- ☐ Is the belief of followers and others in the integrity, character, and ability of a leader.
 - Dimensions of trust: integrity, competence, consistency, loyalty, and openness.
- Is related to increases in job performance, organizational citizenship behaviors, job satisfaction, and organization commitment.

Exhibit 17–9 Suggestions for Building Trust

Practice openness. Be fair. Speak your feelings. Tell the truth. Show consistency. Fulfill your promises. Maintain confidences. Demonstrate competence.

Empowering Employees

- Empowerment
 - Involves increasing the decision-making discretion of workers such that teams can make key operating decisions in develop budgets, scheduling workloads, controlling inventories, and solving quality problems.
 - □ Why empower employees?
 - Quicker responses problems and faster decisions.
 - Addresses the problem of increased spans of control in relieving managers to work on other problems.

Gender Differences and Leadership

- Research Findings
 - ☐ Males and females use different styles:
 - Women tend to adopt a more democratic or participative style unless in a male-dominated job.
 - Women tend to use transformational leadership.
 - Men tend to use transactional leadership.