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Module 4

Lesson 4-1 Concepts of Managing Motivation

Lesson 4-1.1 The Law of Effect and Expectancy Theory

MANAGING MOTIVATION



- Being an effective leader is about two tasks: making decisions and implementing decisions
- Implementing decisions is about people's willingness to exert effort to carry out the leader's decisions
- It is not enough for people to know what to do (information)
- They have to want to do it (motivation)



We began this course talking about the fact that leaders have two tasks that they have to manage. Making decisions and implementing decisions. And we've also talked about the fact that the two biggest levers they have for helping them make and implement decisions are the management of information and the management of motivation. So far in the course, we've focused most of our attention on the idea of managing information. How to make sure we make better decisions. Today, we're going to examine the other half of the equation and talk a little bit about how to manage motivation. Because it's not enough for people to know what to do. That's the information side of things. They also have to want to do it. And that's the motivation side of things.





MOTIVATION: THE LAW OF EFFECT



- Effort is controlled by the consequences contingent upon it
 - Consequences
 - Contingencies
- Extrinsic/intrinsic distinction
 - Reward in exchange for the outcome
 - Reward is the outcome



Most of what we know about motivation starts with the Law of Effect. And the Law of Effect is really very simple. The Law of Effect says that effort is controlled by the consequences that are contingent on it. So, the Law of Effect basically says that motivation is all about two things, contingencies and consequences. Consequences are the things that we get, and contingencies are the if-then relationships that determine when we get those things. Also important in this discussion is the distinction between intrinsic and extrinsic motivation. Extrinsic and intrinsic motivation both prefer to consequences that we might receive is the function of behavior but they differ slightly in very important ways. Rewards that we receive in exchange for the outcome or what are known as extrinsic rewards. Intrinsic rewards are rewards that are the outcome.





THE LAW OF EFFECT



- What motivates instructors in the classroom?
- How could you use this to manage their behavior?
- Would you rather be taught by an instructor who was extrinsically or intrinsically motivated? Why?
- Could you tell the difference? How?



So let's take an example of this. What motivates instructors in the classroom? What kinds of things are they actually interested in? Well to entertain our intrinsic-extrinsic distinction, I might ask you, would you rather be taught by an instructor who was extrinsically or intrinsically motivated? Could you tell the difference between the two? Most people believe that an instructor who is intrinsically motivated, that is an instructor who's doing it because he loves teaching, or because she enjoys the interaction with the students is going to behave slightly differently than a professor who is only doing it for the money or doing it because it's their job.

Most people under those circumstances suspect that you could tell the difference in terms of their motivation, their passion, perhaps how into it they were. Obviously you'd probably rather be taught by somebody who was intrinsically motivated, somebody who was passionate, somebody that was really into their work. Now let's think about contingencies and how they relate to this situation, and to do this I'm going to tell you a very short story. Many years ago I was actually asked to give a guest lecture on motivation in one of my colleague's classes. So I went into her class. And I was telling the students about the law of effect and decided that the best way to really drive this home would be to provide them a live demonstration.





So I said, here's what we're going to do. When my colleague returns to her next class, we're going to use what we know about the law of effect to have you try to influence her behavior. How do we do that? Well, we know the law of effect says, motivation is all about contingencies and consequences so let's start with the consequences. What do you think motivates professors in the classroom? Well, if she's intrinsically motivated, if she really loves the teaching, what kinds of things are going to convey to her that she's getting the rewards that she wants? She's probably going to look at students and try to see whether they're paying attention.

So now we know what it is that really motivates professors, that is the consequence they're interested in, is your attention in the classroom. How can we use this to direct her behavior? Well, we have to decide what we want to accomplish, so I told the students, here's what we're going to do, whenever she moves to the right hand side of the classroom, I want you to reward her for being over there, and that simply means that when she moves right, I want you to pay attention. I want you to act as if you are hanging on every word that she says. I want you to make sure she understands you are really interested in what's going on in the classroom.

But when she moves left, I want you to lose interest in what she's saying. So maybe you want to open up a newspaper and start reading it or maybe you want to start playing around with your papers or maybe you want to put your head down and go to sleep on your desk. Anything that visibly demonstrates to her that you've pretty much lost interest in what she's doing.

Okay, we know what the consequence is. We know that instructors in the classroom are interested in your attention. So that's the consequence we're going to use to influence, to motivate her behavior. And we set up a contingency, when she moves right, we're going to reward her for being over there by giving her attention, when she moves left we're going to punish her by taking that attention away. So that's what I instructed the students to do, and I was not in attendance at her next class, but one of the students later told me that within five minutes after the class started, they had her up against the corner of the wall in the right hand part of the classroom, at which point she stopped talking in mid sentence.

It turns out of course that her stop talking in mid sentence was very very important because she looked at them and said, he put you up to this didn't he? And, sure enough. But, the reason this is so important is because it suggests a modification to the law of effect and that modification is actually captured by the idea of expectancy theory.





MOTIVATION: EXPECTANCY THEORY



- It is not just consequences and contingencies that control effort
- It is also what people **think** about those consequence and contingencies
- Getting a reward or punishment for putting forth effort is important because it makes
 you think your effort controls whether you are rewarded or punished
 - Motivation is a function of what consequences you think your effort controls



Expectancy theory says it's not just consequences and contingencies that control effort that motivate people to engage in the behaviors we need them to engage in. It's also what people think about those consequences and contingencies. So getting a reward or punishment for putting forth effort is important because it makes you think your effort controls whether you are rewarded or punished. In our example. It's not just that we were rewarding or punishing that faculty member for moving right or moving left in her classroom, the key is that she figured that out. She understood that if she moved right, she was going to get more attention, and she moved left, she would get more, less attention. So motivation was really a function of what consequences you think your effort controls.





EXPECTANCY THEORY

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- When would you put out more effort for a contingent reward?
- If you think you are capable of performing well enough to be rewarded (expectancy)
- If you think good performance will be rewarded (instrumentality)
- If you value the reward offered (valence)



So think about this, when would you put out more effort for a contingent reward? If you think you are capable of performing well enough to be rewarded, that's called an expectancy. If you don't think you're capable of rewardable performance, there's really not much point in trying very hard. You would also put out more effort if you think good performance is actually going to be rewarded. That is, if you achieve the rewardable performance, are you going to get the reward? And, finally, you're likely to put out more effort if you value the reward that's offered. These three ideas are called expectancies, instrumentalities, and valences, and they refer to the three key perceptions that control whether or not contingencies and consequences actually can influence your behavior.





EXPECTANCY THEORY (AN EXAMPLE)



- Sam offers a year of free oil changes to next month's best performer in the firm.
 Will Sam's subordinate Tom be motivated to expend effort to earn this reward?
- If Tom thinks he has the training and skill necessary to perform well enough to be rewarded (expectancy)
- If Tom thinks Sam will actually give the firm's best performer the oil changes, and not just give them to Sam's brother-in-law who also works for the firm (instrumentality)
- If Tom values the reward offered; currently Tom doesn't own a car and takes the bus to work (valence)



So here's an example. Let's imagine that Sam offers a year of free oil changes to the next month's best performer in his firm. Will Sam's subordinate Tom be motivated to expend effort to earn this reward? Well, let's think about those three qualifications to the law of effect. If Tom thinks he has the training and skill necessary to perform well to be rewarded, then he's likely to put out more effort. On the other hand, if he doesn't think he has the training or doesn't think he has the skill. In other words if he doesn't think that his effort will be translated into rewardable performance, then he's probably not going to be very motivated to perform. Also, if Tom thinks Sam will actually give the firm's best performer the oil change, and not just give them to Sam's brother-in-law who also works for the firm, then Tom will also be motivated to work harder, because here the key, this is an instrumentality, is that Tom has to believe that the reward is actually going to be given to him if he achieves a rewardable performance. And then finally Tom is likely to work harder if Tom actually values the reward offered. Currently Tom doesn't own a car, he takes the bus to work. So for him, oil changes are not very valuable. That's a valence because it refers to how valuable Tom considers the reward. At the end of the day, Tom has to believe he's capable of rewarded performance. He has to believe that Sam's actually going to give him the reward if he achieves that level of performance. And Tom has to actually value the reward that's being offered. Those are the cognitive qualifications, the beliefs that determine whether contingencies and consequences actually influence behavior appropriately.





Module 4

Lesson 4-1.2 Managing Perceptions & Social Dilemmas

MOTIVATION AS MANAGING PERCEPTIONS



- An individual's willingness to expend effort is about perceptions of consequences and contingencies
- Self-efficacy belief in one's ability to do the work becomes a critical perception that can be managed by leaders
- Training and mentoring take on two critical roles
 - Providing individuals the **skills** to translate effort into accomplishment
 - Providing individuals the confidence to translate effort into accomplishment



One of the things that really affects people's belief that their effort will be translated into rewards, namely that their effort is likely to control rewards, are the extent to which they are interdependent with other individuals. Right, so we can think about motivation as managing perceptions, and the key here is that individuals have to have self-efficacy. They have to believe in their ability to do the work. And that is a critical perception that must be managed by leaders. In this sense training actually takes on two critical roles. Training provides individuals the skills necessary to translate their effort into accomplishment, but it also provides individuals the confidence to translate effort into their accomplishments. In other words training helps individuals believe that they are capable of rewardable performance, and therefore that gives them the motivation to actually try hard, but sometimes others can be a critical concern in this equation because we know in organizations, work is interdependent. That is no one can achieve goals without the help of other individuals. But other individuals become an uncertainty in your ability to translate your own effort into rewards.





OTHERS: A CRITICAL CONCERN?



- · Social dilemma
 - How individuals allocate resources (time, effort) between individual and group tasks/initiatives (interdependence)
- "A social dilemma arises when the choice or behavior that is best for the individual results in undesirable consequences for the group (or society), should all members behavior similarly" (Shepperd, 1993, p. 68)
- The tragedy of the commons (Hardin, 1968)



This is captured in the idea of a social dilemma. Social dilemmas have to do with how individuals allocate resources, their time and their effort between individual and group tasks or initiatives, and remember in most organizations, performance is interdependent. You can't really achieve anything alone, you have to depend a little bit on other individuals. The problem is those other individuals become a potential disrupter of your perceived control between your effort and the rewards that you would like to achieve. Formally speaking, a social dilemma arises when the choice or behavior that is best for the individual results in undesirable consequences for the group, should all members behave similarly. Great example of this comes from a historical case called the tragedy of the commons. And the tragedy of the commons had to do with a small English village that had a commons. And the commons was considered a grazing area that anyone could use. The problem of course, is that if anyone overgrazed their cattle on the commons, they would kill the grass and then the commons would not be available for everyone to use. So everyone had to limit their use of the commons, so that everyone would be able to use the commons on a long term basis. Social dilemma is really about selfish behavior, to the extend that people are selfish and don't take into account other people's issues, then we run the risk that we are not creating value in our organizations. Lets take a couple of examples of this.





THE DOG PARK



- Anyone can use the dog park (a public good)
- The city sells memberships to the dog park (\$25/year)
- Membership revenues are used to pay for maintaining the dog park; if there are no memberships, there is no money to maintain the dog park
- No one really checks memberships at the dog park
- So it's in everyone's selfish interests to "free ride" (not buy a membership)
- But if everyone free rides, there is no membership money to maintain the dog park





One of my favorites is something here in Champaign that was recently built, which is the dog park. The dog park is a facility that anyone can use, it's a public good. Anyone can bring their dog out to the dog park. The city sells memberships to the dog park at about \$25 a year and the membership revenues are used to pay for maintaining the dog park. If there are no memberships, there is no money to maintain the dog park. No one really checks memberships at the dog park because it's all basically on an honor system. So the problem here is that it's in everyone's selfish interest to free ride, that is to not buy a membership. To just show up and let your dog use the dog park and not worry about paying. The problem is if everyone free rides, that is if everyone just shows up and lets their dog use the dog park, but nobody pays for membership, then there's no membership money to maintain the dog park. So the problem here is attention between what's good for the individual, and what's good for the group. In many situations, it's very much in an individual's interest to be selfish, but if everybody is selfish, then the group doesn't really create value. And then there's no value created for the group to enjoy.





THE TEAM MEETING



We've all been there. Materials were sent out for everyone to read, planning to discuss the materials at the meeting. The discussion starts, but not everyone seems to be participating. In fact, two members of the group don't seem to be engaged at all. You further notice that two other members are making comments that don't seem to have much to do with the materials. And then it dawns on you: None of them read the materials! And you resent it...



Here's another example you'll probably be very familiar with. The team meeting. We've all been there. Materials were sent out for everyone to read, planning to discuss the materials at the meeting. The discussion starts, but not everyone seems to be participating. In fact, two members of the group don't seem to be engaged at all. You further notice that two other members of the group are making comments which don't seem to have very much at all to do with the material. And then it dawns on you. None of them read the materials. You're the only person who prepared for this meeting. And, of course, now you resent it. In this case, the value that would be created is if everyone is prepared adequately and we have a good discussion about whatever question we're trying to address or whatever problem we're trying to solve and then there's a solution in place that everybody can benefit from. The selfishness here is that everybody hopes that somebody else will solve the problem without them having to invest their own personal resources, namely their own personal time and effort to solve that problem. But if everybody decides not to invest their personal time and effort, then the problem doesn't get solved, no value is created, and there's no benefit for anybody to enjoy.





SOCIAL DILEMMAS: CONCERNS Free riding (benefits without costs) Social loafing (more subtle: think cognitive effort) Offensive defection (opportunism) Defensive defection (fear of opportunism by others); "sucker" effect (Robbins 1995)

Social dilemmas give rise to problems because of two things: free riding and social loafing. Free riding is when people simply don't invest in group effort. So there's some group initiative, like a dog park, or a group meeting and some people decide they're just not going to invest. They're going to hope that other people will be able to create a public good and that they will be able to free ride. That they will be able to enjoy the benefits without paying the cost of actually helping create it.

A more subtle version of this is called social loafing. Social loafing occurs when you pretend to be doing your fair share of the work, but in fact you don't actually do your fair share of the work. You've probably been in a meeting at least once in your life where everybody was social loafing. Nobody had done the work in the hopes that everybody else had done the work and, as a consequence, no one was prepared for the meeting and the meeting didn't work very well. Social loafing is a real problem in organizations because it's very hard to tell whether people are actually loafing or whether they're trying very hard and just not making any progress. We can also worry about the idea of defection.

Defection is when people decide they're not going to do their fair share of the work. Free riding and social loafing are both examples of defection. And we can imagine defection actually occurring for two reasons. Offensive defection is when people are trying to





behave opportunistically. That is, they are hoping, if they don't do their fair share of the work, the public good will still be created, but, lo and behold, they will not have had to invest to do it. That's a problem particularly if everybody offensively defects because then the public good isn't created. But a more subtle problem here is that sometimes people defect defensively. Defensive defection occurs when people defect, that is they don't contribute their fair share of the effort because they're afraid other people are not going to do their fair share, and they don't want to be played for a sucker.

That is, they don't want to be taken advantage of by others. So defection that is either free-riding or social loafing in group efforts can occur either offensively or defensively. But, at the end of the day, the result is the same. When people free-ride, when people socially loaf, that decreases the ability of the group to create value. And when the group fails to create value, the group suffers as a whole. We can think about this motivationally as other people becoming a huge uncertainty in organizational initiatives. If I'm worried that you're going to take advantage of me, or if I'm worried that you're not going to do your fair share of the work, then maybe that leads me to believe I shouldn't really do my fair share of the work.

The uncertainty that other people will do their fair share of their work, can dramatically decrease motivation because it decreases the perception that my effort controls the consequences that I'm interested in. In social dilemmas, that means my effort can't control the creation of the public good. I need other people to help me create that public good, but if I can't count on them to do their fair share of the work, my motivation will go down, I will not be motivated to invest my effort, my time, and other resources that I might have in producing the public good, and then the public good may not be created.





CONCLUSIONS ON MOTIVATION



- Motivating others is a key lever for leaders particularly in implementing decisions
- Motivation is about the perception of contingencies and consequences what people think about what their effort controls
- People's beliefs in themselves (self-efficacy) and beliefs in others (social dilemmas)
 are critical to their willingness to expend effort



So motivation is not just about contingencies and consequences, it's about the perception of contingencies and consequences. And in organizations one of the most important perceptions is the perception that other people are trying hard and working together to create value for the organization. When individuals are concerned that others are not working hard, that they are either free riding or social loafing, that may decrease their motivation to invest, and when people start decreasing in terms of their motivation to invest, that means the public good may not be created. Or in other words, the organization may fail to create value.





Module 4

Lesson 4-1.3 The Promise of Groups Realized

THE PROMISE OF GROUPS REALIZED



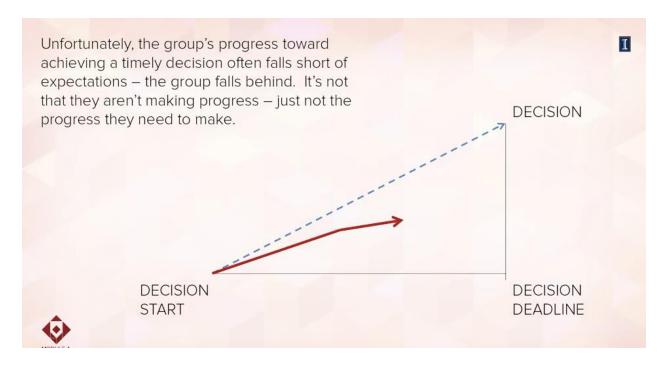
- Groups offer the promise of more informed decision making via a diversity of information & perspectives not available in one individual
- This promise is realized only when groups take advantage of the resource (information & perspective) offered by diverse group members
- Some groups struggle to turn the informational & perspective advantage of groups into a decision



Today we're going to talk a little bit more about the promise of using groups to make decisions. Groups offer the promise of more informed decision making via diversity of information and perspectives not available to one individual. This promise is realized only when groups can take advantage of the resource, information, and perspective offered by their diverse group members. Unfortunately, some groups struggle to turn the informational and perspective advantage of groups into a high quality, informed decision.







Groups often start when they gather to make a decision. Having a good idea of how much progress they want to make and by when they want to reach a timely decision, and they have an idea in mind how this is going to occur. Unfortunately, once they start deliberating, the groups progress towards achieving a timely decision often falls short of their expectations. The group falls behind. It's not that they aren't making progress, they just may not be making the progress that they need to make or the progress that they intended to make. The key here of course is that when it becomes clear that a timely decision will not be reached, there is often a point at which people realize we need to change. This is what's known as a process revolution. The realization that they are failing forces to the group to change its ways to be more efficient. They have to figure out how to do some of the things we talked about earlier in this course to make it more likely they can take advantage of the informational advantage represented by the group numbers.





MID-POINT TRANSITION



- The process revolution that happens once a group realizes its process isn't working is also known as the mid-point transition
- Process revolutions often occur at the mid-point of a group's time-line because that mid-point represents a very salient punctuation point for assessing how the group is doing – and whether the group will meet it's deadline!



This is what's known as a mid-point transition, the process revolution that takes place happens once a group realizes its process isn't working well. Process revolutions occur at the mid-point of a group's timeline because that mid-point represents a very salient punctuation point for assessing how the group is doing. And whether the group will meet its deadline. In effect, once the group reaches the mid-point of its time deadline, it's probably easier to see that, the rate things are going, the group's not going to finish its work in time and an informed decision will not be made in a timely manner.







The group's new process may become better. When a midpoint transition occurs, the group typically decides that it needs to do things a little differently. But the change may come too late to allow the group to make a high quality and timely decision.





PROCESS REVOLUTIONS



- Occur when a group realizes it is not making timely progress to complete its work
- Often come too late for the changes to allow timely completion of the group's work (maybe never if there is no deadline!)
- How can groups force the process revolution to occur earlier, so that the group wastes less time with ineffective group process?



So process revolutions occur when a group realizes when it is not making timely progress to complete it's work. Often, however, these process revolutions come too late for the change to allow timely completion of the group's work. How can groups force the process revolution, that midpoint transition, to occur earlier, so that the group wastes less time with ineffective group processes?





FORCING PROCESS REVOLUTIONS



- Process revolutions can only occur when a group can see its progress will not allow timely completion of its work
- That requires enough proximity to the deadline to realize that the group's process is not working effectively
- The solution is to create intermediate deadlines = progress milestones that allow the group to assess the effectiveness of its process
 - And change that process if it isn't working!



Process revolutions can only occur when a group can see its progress will not allow timely completion of its task. That requires enough proximity to the deadline for the group to be able to realize that the group's process is not working effectively. The solution is to create intermediate deadlines, progress milestones that allow the group to assess the effectiveness of its process. In effect, progress milestones allow the group to figure out earlier that it's progress is not living up to it's expectations, and that change is going to be needed because the process isn't working.





So, progress milestones offer a group the opportunity to see it's progress is falling behind, and create earlier urgency to change the group process. Hopefully to change it in time for this change to still ensure a high quality and timely decision.

Groups often fail to make timely progress toward completion of their work Often it takes proximity to a deadline for the group to realize it is not making timely progress and change its process Installing progress milestones can help a group realize earlier that changes in group process are needed – early enough to insure timely completion of the group's work.





So groups often fail to make timely progress toward completion of their work. Often it takes proximity to a deadline for the group to realize it is not making timely progress. When the group realizes it is not making timely progress, a process revolution can occur and the group can change its process. The key is we want to make sure the group changes its process in time for those changes to allow the group to make a timely and informed decision.

CONCLUSIONS

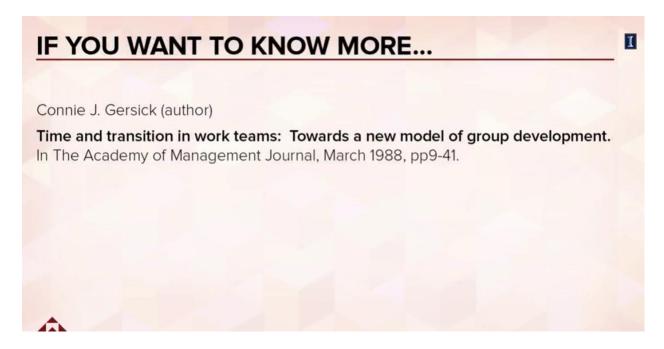
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- Groups often fail to make timely progress toward completion of their work
- Often it takes proximity to a deadline for the group to realize it is not making timely progress and change its process
- Installing progress milestones can help a group realize earlier that changes in group process are needed – early enough to insure timely completion of the group's work.



Installing progress milestones can help a group realize earlier that changes in group process are needed and that may allow the group to make early enough changes in their process to ensure timely completion of the group's work.







If you would like to know more about the idea of mid-point transitions and group process revolutions, I would encourage you to read Connie Gersick's work on Time and transition in work teams: Toward a new model of group development.