Motivation is one of the key areas that Organizational Behavior focuses one. It is one of the most frequently researched topics, and that for a good reason. A recent Gallup poll shows one of the main reasons – 54% of the U.S. employees are not actively engaged, while 17% are actively disengaged. There are other studies that show that an employee usually wastes around 2 hours per day on surfing the Internet or talking with co-workers. Therefore, it is clear that motivation is a subject of paramount importance, which should be treated in-depth and analyzed, since affects the amount and quality of work produced by the employees. There is no clear definition of motivation, but we can consider it as the processes that accounts for an individual’s intensity, direction and persistence of effort toward attaining a goal. Thus, we can say that motivation is a person’s choice to perform a specific action that requires greater effort than other competing activities (Bloisi et al, 2006:196; Mullins, 2007:250). To tackle this controversial topic I will be referring to Kehr’s Compensatory Model (2004), which defines implicit and explicit motives, as well as perceived abilities. Alongside this model I will be using the Goal Setting Theory (E.A Latham&Locke 1990; 2002) to discuss how managers can set the right goals for their employees. While discussing goals, I will touch on the key role that the employee has in providing feedback to his manager in order to make future goals more in line with implicit motives, as well as choosing the right difficulty for it. Taking into account Herzberg’s Two-Factor Theory (1959; Smerek&Peterson, 2007), I will **analyze the factors that contribute to the satisfaction or dissatisfaction of employees,** as well as how can organizations make sure that the jobs are designed in such way that they cover important motivation areas, making it easier for the employee to stay focused and motivated. Furthermore, I will look how to create **reward systems** that attract, motivate and retain employees.

The compensatory model talks about **implicit motives**, **explicit motives** and **perceived abilities**. **Implicit motives** have been conceptualized as associative networks connecting situation cues with basic affective reactions and implicit behavioral tendencies. Implicit motives are related to unconscious needs (Maslow, 1943) and basic and organismic needs (Deci & Ryan 2000). Implicit motives are not consciously accessible, but they lead to affective preferences (McClelland 1985), but they lead to spontaneous, expressive and often pleasurable behavior (McClelland et al, 1989). **Explicit motives** are the reasons people self-attribute for their actions (McCelland, 1995). For example, people that are hard-working usually consider themselves to be accomplishment-driven or goal-acheivers. Explicit motives are influential in determining cognitive choices- choosing a specific task (Spangler, 1992). Combining **explicit motives** and **perceived abilities** leads to the formation of *intentions* (Gollwitzer, 1993; Tubbs&Ekerberg, 1991), which are known to have motivational significance (Latham&Locke, 1991). White introduced the concept of competence: “an organism’s capacity to interact efficiently with its environment”(1959), but more recent approaches focus on perceived abilities rather than actual abilities (Ajzen, 1991, Wright et al, 1995). **Perceived ability** is the amount of control a person can exert over the environment. **Problem solving** compensates for insufficient abilities and overcomes environmental (extrapersonal) difficulties, whereas **volition** compensates for insufficient motivational support and resolves intrapersonal conflicts from competing behavioral impulses originating in implicit/explicit motive discrepancies (Sokolowski, 1993; Muraven & Baumeister 2000). When a task requires both problem solving and volition, the chances of someone completing that specific task decrease significantly because of the limitations of attentional capacity.

Most people think goal attainment should lead to satisfaction and well-being (Locke&Latham 1990), however Brunstein et al. (1998) showed that goal attainment only leads to well-being if goals are congruent with a person’s **implicit motives**, and a goal that is incongruent with those needs will decrease well-being. This is an important reason for managers to get to know their staff and understand their inner motives, so that the tasks that the person has to achieve are more likely to complain with their motives so chance of success is increased. Also taking into account the ***Goal Setting Theory*** (E.A. Locke&Latham, 1990; 2002) managers have to be sure that the goals are clear and everyone understands them.

It is also important to notice that **easy goals** are unlikely to motivate the employee, while **difficult goals** (Mulling, 2007) are more likely to be tackled and end up being solved. However, it proves that the best types of goals are **“stretch goals”** (Gratton, 2000:135), which are not SMART, since we are unable to predict the outcome that might be achieved, but they can be directional (‘improving’ or ‘maximizing’). It is important to note that stretch goals are based entirely on the person’s ability to attain the goal, by creating a psychological priming effect in which the rewards are influenced by the person’s thoughts. All these findings stand in line with McClelland’s ***Theory of Needs*** McClelland(1974,1986) – in particular the need for achievement. **High achievers** perform at their best when their chance of achieving the task is equal to the chance of them failing it. They dislike winning too easily since that provides no challenge to their skills. Also, they rarely take on tasks that have a low chance of success, because they get no satisfaction from success that comes by pure chance. Another important aspect when it comes to goals is to remember that **successful performance** leads the person to believe that similar actions will be successful as well (Bandura, 1977). As well as that, following occurrences of the activity will come with the perception of ease of performing as well as requiring less volition (Azjen, 1991). Taking these factors into account, we can say that it is up to the manager to **set goals that increase gradually in difficulty**, therefore increasing the likelihood of completion, while also keeping in line with the employee’s inner motives.

* Talk about the person’s role in this. How they need to use volition and problem solving
  + There should be a place where they can go for help.
* Talk about the organization’s job in designing the right job. (have slides)
  + Use the Herzberg’s 2-factor theory
  + Make sure they have a reward system that motives the person (**implicit motives**)
    - Bring in expectancy theory.