Unit 3
MPOB

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Unit 3 Syllabus

- **Motivation:** concept & theories (Maslow's, Herzberg Two factor, McGregor's theory X & Y),

- **Leadership:** Concepts & styles.

- **Controlling:** Nature, Importance, significance & Process of control.

- **Organizational Behavior:** concept and Nature of Organisational Behaviour, Importance, Challenges and Opportunities.

- **Organizational culture:** Meaning, importance and characteristics of organization culture.

Motivation

Motivation- Syllabus

- **Motivation:** concept & theories (Maslow's, Herzberg Two factor, McGregor's theory X & Y)
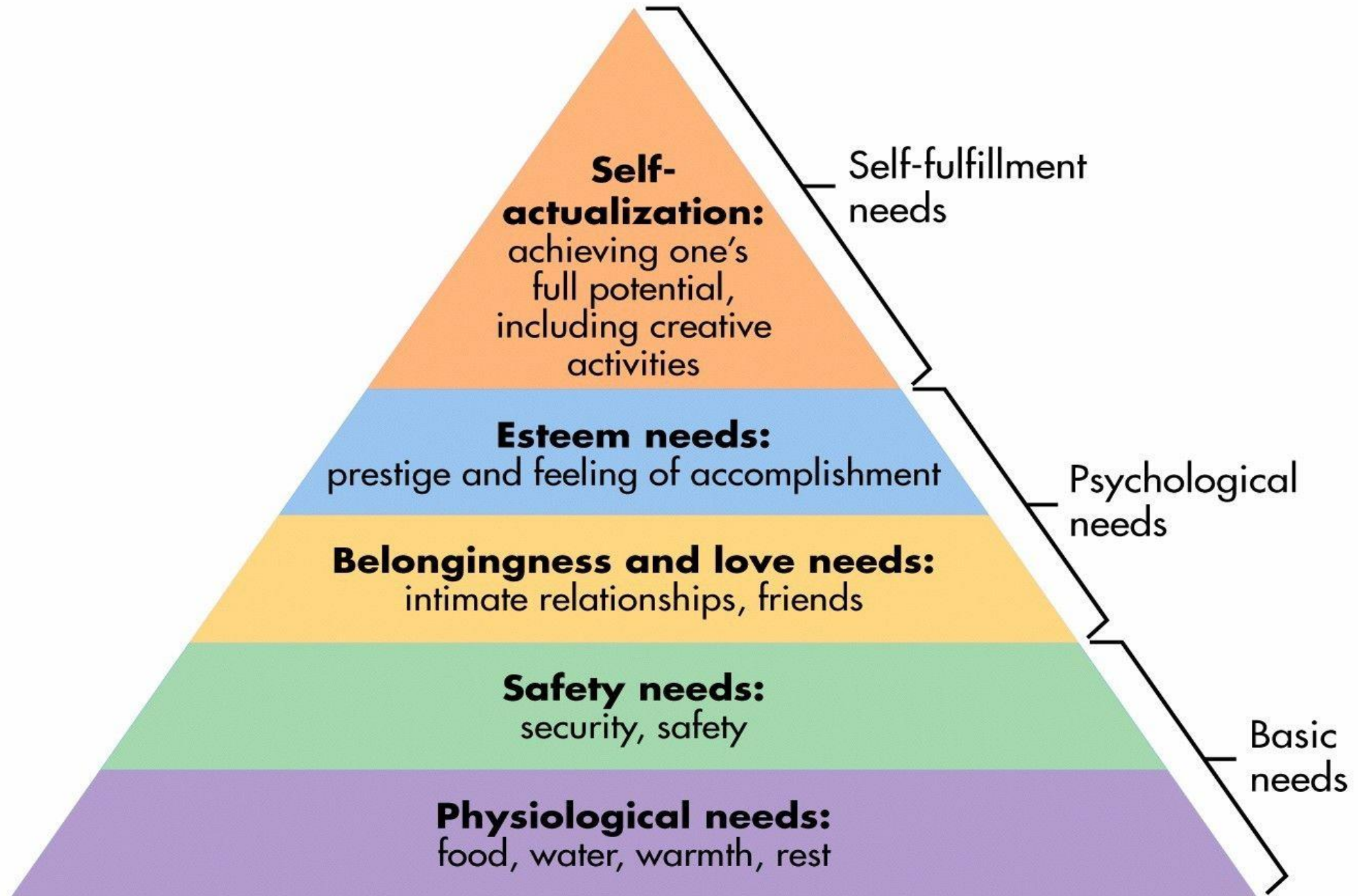
Motivation- concept

- Motivation refers to the process by which a person's efforts are energized, directed, and sustained toward attaining a goal.

- This definition has three key elements: energy, direction, and persistence.

Abraham Maslow's hierarchy of needs theory

Maslow was a psychologist who proposed that within every person is a hierarchy of five needs:

1. Physiological needs: Food, drink, shelter, sex, and other physical requirements

2. Safety needs: Security and protection from physical and emotional harm, as well as assurance that physical needs will continue to be met

3. Social needs: Affection, belongingness, acceptance, and friendship

4. Esteem needs: Internal esteem factors such as self-respect, autonomy, and achievement and external esteem factors such as status, recognition, and attention

5. Self-actualization needs: Growth, achieving one's potential, and self-fulfillment; the drive to become what one is capable of becoming

Self-actualization: achieving one's full potential, including creative activities

Esteem needs: prestige and feeling of accomplishment

Belongingness and love needs: intimate relationships, friends

Safety needs: security, safety

Physiological needs: food, water, warmth, rest

Self-fulfillment needs

Psychological needs

Basic needs

Abraham Maslow's hierarchy of needs theory

- Maslow separated the five needs into higher and lower levels. Physiological and safety needs were considered lower-order needs; social, esteem, and self-actualization needs were considered higher-order needs.

- Lower-order needs are predominantly satisfied externally while higher-order needs are satisfied internally.

McGregor's Theory X and Theory Y

- Two assumptions about human nature: Theory X and Theory Y.

- Theory X is a negative view of people that assumes workers have little ambition, dislike work, want to avoid responsibility, and need to be closely controlled to work effectively.

- Theory Y is a positive view that assumes employees enjoy work, seek out and accept responsibility, and exercise self-direction.

- McGregor believed that Theory Y assumptions should guide management practice and proposed that participation in decision making, responsible and challenging jobs, and good group relations would maximize employee motivation. Unfortunately, no evidence confirms that either set.
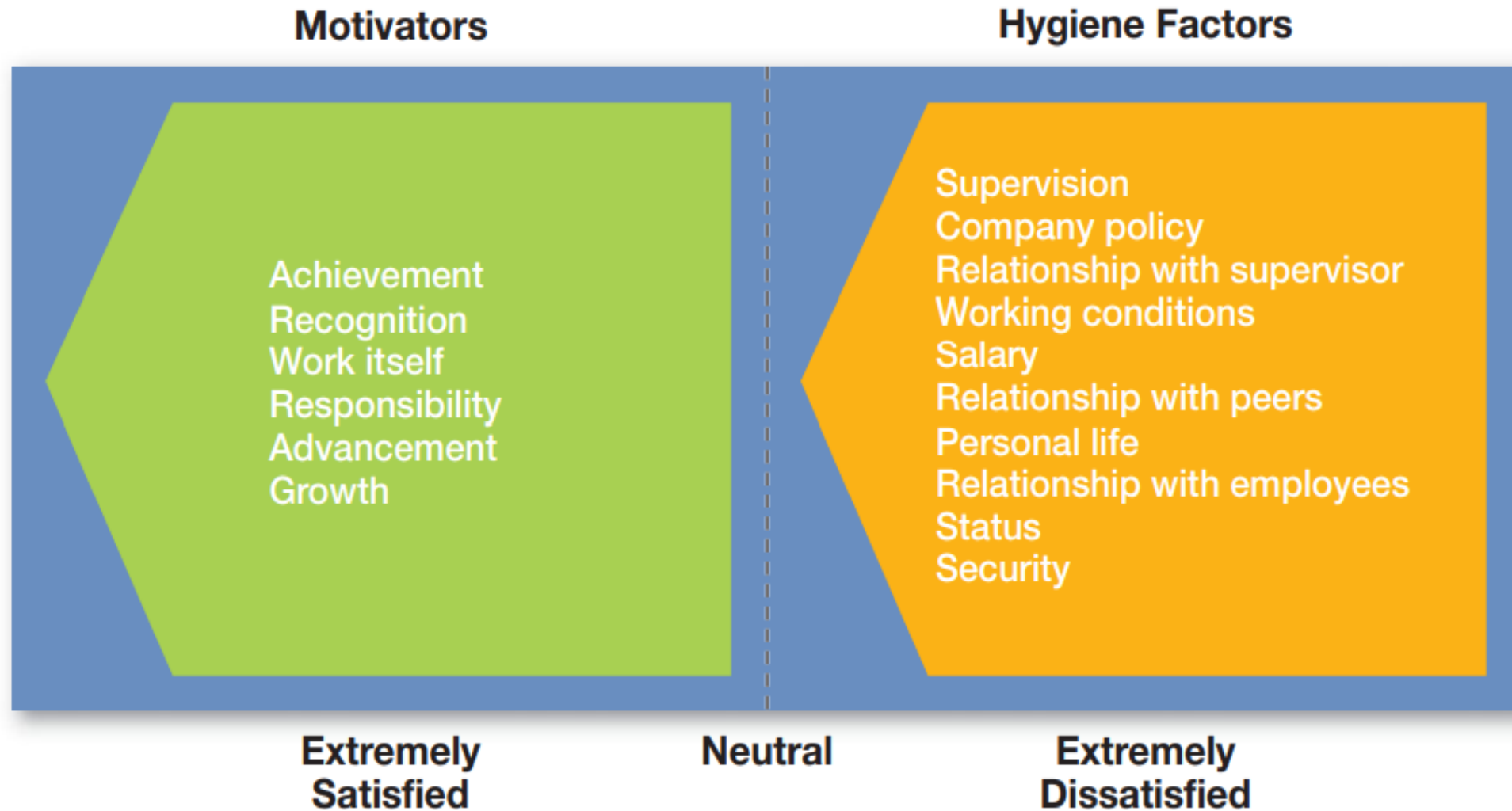
Herzberg's two factor Theory

Frederick Herzberg's two-factor theory (also called motivation-hygiene theory) proposes that intrinsic factors are related to job satisfaction, while extrinsic factors are associated with job dissatisfaction.
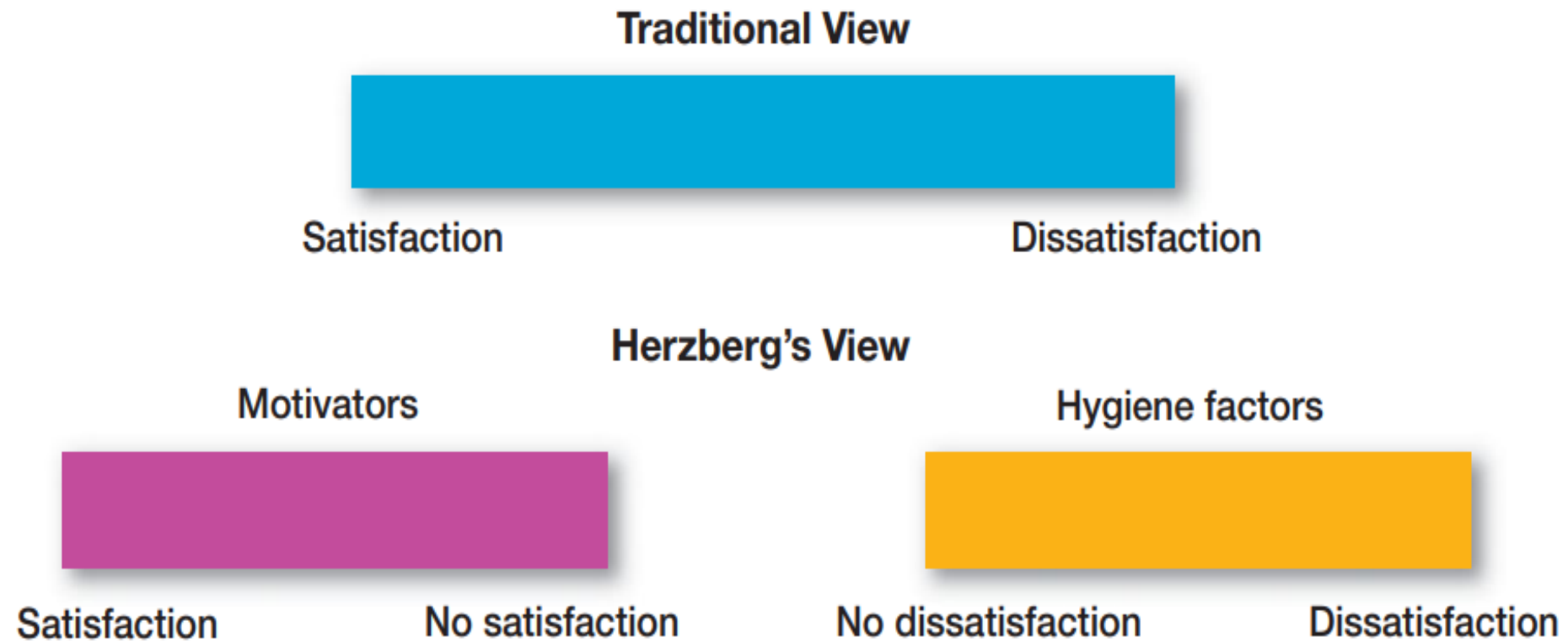
Herzberg wanted to know when people felt exceptionally good (satisfied) or bad (dissatisfied) about their jobs. He concluded that the replies people gave when they felt good about their jobs were significantly different from the replies they gave when they felt badly.

EXHIBIT 11–2 Herzberg's Two-Factor Theory

Motivators

Achievement
Recognition
Work itself
Responsibility
Advancement
Growth

Hygiene Factors

Supervision
Company policy
Relationship with supervisor
Working conditions
Salary
Relationship with peers
Personal life
Relationship with employees
Status
Security

Extremely
Satisfied

Neutral

Extremely
Dissatisfied

Herzberg's two factor Theory

EXHIBIT 11–3 Contrasting Views of Satisfaction and Dissatisfaction

Traditional View

Satisfaction ———————————————— Dissatisfaction

Herzberg's View

Motivators

Satisfaction ———— No satisfaction

Hygiene factors

No dissatisfaction ———— Dissatisfaction

Leadership: Concepts & styles

- A leader is someone who can influence others and who has managerial authority.

- Leadership is a process of leading a group and influencing that group to achieve its goals.

Trait theories of leadership

- Theories that isolate characteristics (traits) that differentiate leaders from non-leaders.
    - 1 Drive
    - 2 Desire to lead
    - 3 Honesty and integrity
    - 4. Self-confidence
    - 5 Intelligence
    - 6 Job-relevant knowledge
    - 7 Extraversion

Behavioral theories of leadership

- Theories that isolate behaviors that differentiate effective leaders from ineffective leaders.

- Behaviors or styles: autocratic, democratic, and laissezfaire.

- An autocratic style is that of a leader who typically tends to centralize authority, dictate work methods, make unilateral decisions, and limit employee participation.

Leadership styles

- A leader with a democratic style tends to involve employees in decision making, delegates authority, encourages participation in deciding work methods and goals, and uses feedback as an opportunity to coach employees.

- The democratic style can be further classified in two ways: consultative and participative.

- A democratic-consultative leader seeks input and hears the concerns and issues of employees but makes the final decision him- or herself. In this capacity, the democratic-consultative leader is using the input as an information-seeking exercise.

- A democratic-participative leader often allows employees to have a say in what's decided. Here, decisions are made by the group, with the leader providing one input to that group.

Leadership styles

- Finally, the laissez-faire leader generally gives his or her employees complete freedom to make decisions and to complete their work in whatever way they see fit. A laissez-faire leader might simply provide necessary materials and answer questions

Controlling: Nature, Importance, significance & Process of control

Nature and importance of control

- Control is the management function that involves monitoring activities to ensure that they're being accomplished as planned and correcting any significant deviations.

- As the final step in the management process, controlling provides the link back to planning.

- If managers didn't control, they'd have no way of knowing whether goals were being met.

Nature and importance of control

Control is important because

- it's the only way to know whether goals are being met

- it provides information and feedback so managers feel comfortable empowering employees

- it helps protect an organization and its assets.

Steps in the control process

- The three steps in the control process are measuring, comparing, and taking action.

- Measuring involves deciding how to measure actual performance and what to measure.

- Comparing involves looking at the variation between actual performance and the standard (goal). Deviations outside an acceptable range of variation need attention.

- Taking action can involve doing nothing, correcting the actual performance, or revising the standards. Doing nothing is self-explanatory. Correcting the actual performance can involve different corrective actions, which can either be immediate or basic. Standards can be revised by either raising or lowering them.
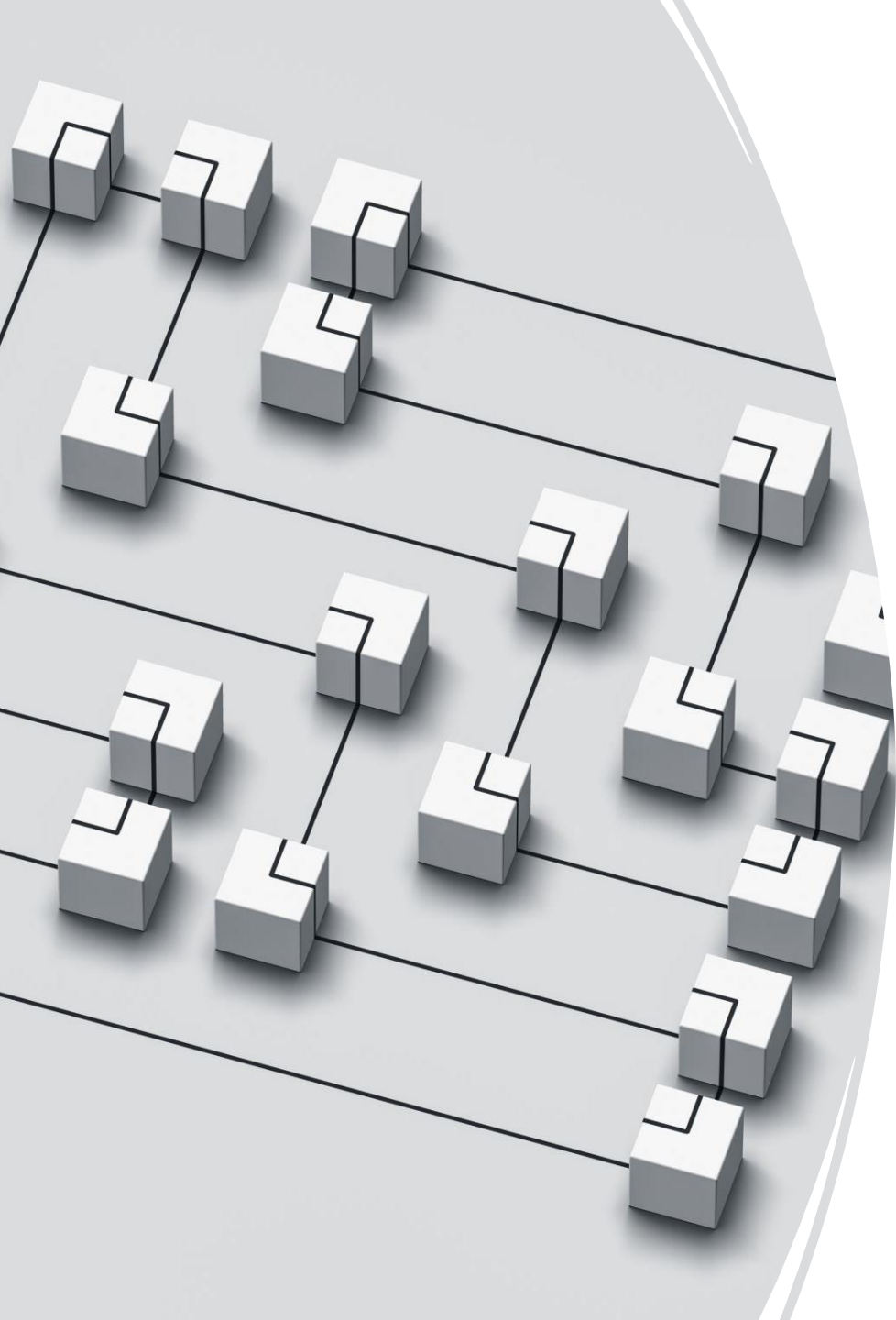
Types of control

- Feedforward controls take place before a work activity is done.

- Concurrent controls take place while a work activity is being done.

- Feedback controls take place after a work activity is done.

- Financial controls that managers can use include financial ratios (liquidity, leverage, activity, and profitability) and budgets.

- information control managers can use is an MIS, which provides managers with needed information on a regular basis.

- Others include comprehensive and secure controls, such as data encryption, system firewalls, data backups, and so forth, that protect the organization's information.

Contemporary issues in control

- Adjusting controls for cross-cultural differences may be needed primarily in the areas of measuring and taking corrective actions.

- Workplace concerns include workplace privacy, employee theft, and workplace violence.

- For each of these, managers need to have policies in place to control inappropriate actions and ensure that work is getting done efficiently and effectively.

Organizational Behavior

Concept

- It's concerned with the subject of behavior—that is, the actions of people.

- Organizational behavior is concerned more specifically with the actions of people at work.

Focus of Organizational Behavior

- Focuses primarily on two major areas.
- First, OB looks at individual behavior. Based predominantly on contributions from psychologists, this area includes such topics as
  - Attitudes
  - Personality
  - Perception
  - Learning
  - Motivation

Focus of Organizational Behavior

- Second, OB is concerned with group behavior, which includes
  - Norms
  - Roles
  - Team building
  - Leadership
  - Conflict.

- Our knowledge about groups comes basically from the work of sociologists and social psychologists.

- Unfortunately, the behavior of a group of employees can't be understood by merely summing up the actions of the individuals in the group because individuals in a group setting behave differently from individuals acting alone.

Goals of Organizational Behavior

- The goals of OB are to explain, predict, and influence behavior.

- Why do managers need to be able to do these? Simply, in order to manage their employees' behavior.

- We know that a manager's success depends on getting things done through people. To do this, the manager needs to be able to explain why employees engage in some behaviors rather than others, predict how employees will respond to various actions the manager might take, and influence how employees behave.

Organizational culture

- We know that every person has a unique personality. An individual's personality is a set of relatively permanent and stable traits.

- Our personality influences the way we act and interact with others. When we describe someone as warm, open, relaxed, or conservative, we're describing personality traits.

- An organization, too, has a personality, which we call its culture.

Organizational culture

- It's a system of shared meaning and beliefs held by organizational members that determines, in large degree, how they act.

- It represents a common perception held by the organization's members. Just as tribal cultures have rules and taboos that dictate how members will act toward each other and outsiders, organizations have cultures that govern how its members should behave.

- In every organization, there are systems or patterns of values, symbols, rituals, myths, and practices that have evolved over time.

- These shared values determine to a large degree what employees see and how they respond to their world.

Organizational culture

- When confronted with problems or work issues, the organizational culture—the "way we do things around here"—influences what employees can do and how they conceptualize, define, analyze, and resolve issues.

- Definition of culture implies several things.
  - First, culture is a perception. Individuals perceive the organizational culture on the basis of what they see, hear, or experience within the organization.
  - Second, even though individuals may have different backgrounds or work at different organizational levels, they tend to describe the organization's culture in similar terms. That is the shared aspect of culture.
  - Finally, organizational culture is a descriptive term. It's concerned with how members perceive the organization, not with whether they like it. It describes rather than evaluates

EXHIBIT 2–4   Dimensions of Organizational Culture

Attention to Detail
Degree to which employees are expected to exhibit precision, analysis, and attention to detail

Innovation and Risk Taking
Degree to which employees are encouraged to be innovative and to take risks

Outcome Orientation
Degree to which managers focus on results or outcomes rather than on how these outcomes are achieved

Organizational Culture

Stability
Degree to which organizational decisions and actions emphasize maintaining the status quo

People Orientation
Degree to which management decisions take into account the effects on people in the organization

Aggressiveness
Degree to which employees are aggressive and competitive rather than cooperative

Team Orientation
Degree to which work is organized around teams rather than individuals

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How Do Employees Learn the Culture?

- Employees "learn" an organization's culture in a number of ways.
- The most common are stories, rituals, material symbols, and language.

EXHIBIT 2–5 Managerial Decisions Affected by Culture

PLANNING

- The degree of risk that plans should contain
- Whether plans should be developed by individuals or teams
- The degree of environmental scanning in which management will engage

ORGANIZING

- How much autonomy should be designed into employees' jobs
- Whether tasks should be done by individuals or in teams
- The degree to which department managers interact with each other

LEADING

- The degree to which managers are concerned with increasing employee job satisfaction
- What leadership styles are appropriate
- Whether all disagreements—even constructive ones—should be eliminated

CONTROLLING

- Whether to impose external controls or to allow employees to control their own actions
- What criteria should be emphasized in employee performance evaluations
- What repercussions will occur from exceeding one's budget

Thank you