

15 Motivation

The average person puts only 25% of his energy and ability into his work. The world takes off its hat to those who put in more than 50% of their capacity, and stands on its head for those few and far between souls who devote 100%.

Andrew Carnegie, Industrialist

CHAPTER OBJECTIVES

After studying this chapter, you will understand:

- ★ Motivation: concept, nature, importance
- ★ Theories of motivation
- ★ Motivational application: designing reward system, job design, quality of work life, job satisfaction, morale building

MOTIVATION AT RELIANCE INDUSTRIES LIMITED

Reliance Industries Limited has based its motivation on the following premises:

1. **Growth is Betting on Our People.** Reliance builds with care a workplace that proactively fosters professional as well as personal growth. There is freedom to explore and learn; and there are opportunities that inspire initiative and intrinsic motivation. We believe that people must dream to achieve, that these dreams will drive the company's excellence in all its businesses. Reliance thinks, behaves, lives, and thrives with a global mindset, encouraging every employee to reach his/her full potential by availing opportunities that arise across the group.
2. **Growth is Care for Good Health.** Reliance's occupational health centres carry out pre-employment and periodic medical check-ups as well as other routine preventive services. Specialized tests like biological monitoring, health risk assessment studies and audits for exposure to various materials are also performed. Health education and awareness form an integral part of the health care programme at Reliance.
3. **Growth is Care for Safety.** We believe that the safety of each employee is the responsibility of the individual as well as of the whole community of employees.

Motivation is one of the most important factors affecting human behaviour and performance. This is the reason that managers give significant importance to motivation in organizational setting. Effective directing of people in the organization leads to effectiveness, both at organizational

Concept of Motivation

The term motivation is based on Latin word 'movere' which means 'to move'. Thus, motivation is the state of readiness of a person to achieve desired results. In the context of management, motivation is defined as follows:

Motivation is the state of readiness of individuals to achieve organizational objectives.

Thus, if an individual has high degree of readiness, his motivation level is high. There are two important terms related to motivation: motive and motivating.

Motive. Motive (also known as need) is the inner state of a person that he is lacking something which moves him to engage in goal-directed behaviour. For example, if you are thirsty (your inner state), you will drink water (goal-directed behaviour). This happens in all types of inner states of a person.

Motivating. Motivating is the process of inducing others to engage in goal-directed behaviour by presenting motivators. A motivator is anything which is able to satisfy one's need, for example, availability of water to drink in the above case. In organizational context, for motivating employees in the organization, managers use a variety of motivators, known as incentives (discussed later).

Nature of Motivation

Based on the definition of motivation, we can derive its nature relevant for human behaviour in organization. The following characteristics of motivation clarify its nature:

1. **Based on Motives.** Motivation is based on individual's motives which are internal to the individual. A motive is in the form of a feeling that the individual lacks something. In order to overcome this feeling, he tries to behave in a manner which helps him in overcoming this feeling.
2. **Affected by Motivating.** Motivation is affected by way the individual is motivated. The act of motivating channelizes need satisfaction. Besides, it can also activate the latent needs in the individual, that is, the needs that are less strong and somewhat dormant, and harness them in a manner that would be functional for the organization.
3. **Goal-directed Behaviour.** Motivation leads to goal-directed behaviour. A goal-directed behaviour is one which satisfies the causes for which behaviour takes place. Motivation has profound influence on human behaviour; in the organizational context it harnesses human energy according to organizational requirements.
4. **Related to Satisfaction.** Motivation is related to satisfaction. Satisfaction refers to the contentment experiences of an individual which he derives out of need fulfilment. Thus, satisfaction is a consequence of achievement of a relevant motivator.
5. **Person Motivated in Totality.** A person is motivated in totality and not in part. Each individual in the organization is a self-contained unit and his needs are interrelated. These affect his behaviour in different ways. Moreover, feeling of needs and their satisfaction is a continuous process. As such, these create continuity in behaviour.
6. **Complex Phenomenon.** Motivation is a complex phenomenon because of involvement of human factor. This generates complexity in motivating people in the following ways:
 - (i) Needs are internal feelings of individuals and sometimes, even they, themselves, may not be quite aware about their needs and the priority of these. Thus, understanding of human needs and providing means for their satisfaction become difficult.

- (ii) Even if needs are identified, the problem is not over as a particular need may result in different behaviours from different individuals because of lack of definite relationship between needs and behaviours relevant for their satisfaction. For example, the need for promotion may be uniform for different individuals but all individuals may not engage in similar type of behaviour; they may adopt different routes to satisfy their promotion needs.
- (iii) A particular behaviour may emerge not only because of the specific need but it may be because of a variety of needs. For example, hard work in the organization may be due to the need for earning more money to satisfy physiological needs, or may be to enjoy the performance of work itself and money becomes secondary, or to get recognition as a hardworking person.
- (iv) Need pattern of an individual is not static but keeps on changing because he is capable of developing many needs from interaction with others. Thus, his total need pattern will be determined by his initial needs as well as needs developed through interaction. However, change in need pattern of different individuals is not uniform because of individual differences.
- (v) Goal-directed behaviour may not lead to goal attainment. There may be many constraints in the situation which may restrain the goal attainment of goal-directed behaviour. This may create frustration in people creating lot of problems, both for the people and the organization.

Types of Needs

There are many needs which an individual may have and there are various ways in which these may be classified. The basic objective behind classification of needs into different categories is to find out similarity and dissimilarity in various needs so that incentives are grouped to satisfy the needs falling under one category or the other. From this point of view, a meaningful classification of needs is based on the sources through which needs emerge. Thus, needs may be grouped into two major categories: primary needs and secondary needs.

Primary Needs. Primary needs, also known as psychological, biological, basic, or unlearned needs, are natural, for example, needs for food, shelter, etc. Satisfaction of these needs is essential for survival of human beings. These needs are common to all human beings, though their intensity may differ.

Secondary Needs. As contrast to the primary needs, secondary needs are not natural but are learned by the individual through his experience and interaction. Therefore, these are also called learned or derived needs. Emergence of these needs depends on learning. This is the reason why we find differences among need pattern of a child and a matured individual. There may be different types of secondary needs like need for power, achievement, status, affiliation, etc.

Some researchers have proposed a third category of needs, known as general needs. Such needs are neither completely natural, nor learned, for example, needs for curiosity, manipulation, etc. Here, we have just mentioned the classification of various needs into different categories for providing an understanding of the way needs emerge. Their detailed description will be provided in various theories of motivation.

Importance of Motivation

Motivation is one of the most important factors affecting organizational performance. All organizational facilities will go in waste in the lack of motivated people to utilize these facilities

effectively. The importance of motivation in an organization may be summed up as follows:

- 1. High Performance Level.** Motivated employees put higher performance as compared to other employees. This is due to the fact that motivated employees attempt to use their maximum ability in performing a job while other employees use only a part of their ability. Further, motivated employees increase their ability through learning which results in increased performance continuously.
- 2. Low Employee Turnover and Absenteeism.** Motivated employees stay in the organization and their absenteeism is quite low. High turnover and absenteeism create many problems in the organization. Recruiting and developing large number of new personnel into a working team take lot of time which organizations cannot easily afford in a competitive environment. Moreover, high employee turnover affects the reputation of the organization unfavourably.
- 3. Acceptance of Organizational Changes.** An organization incorporates changes in its practices due to change in the environment but when changes are introduced in the organization, there is a tendency to resist these changes by the employees. However, if employees are properly motivated, they accept, introduce, and implement these changes keeping the organization on the right track of progress.

Theories of Motivation

From the very beginning, when human organizations were established, people had tried to find out the answer of "what motivates people in the organization most". This has led to development of various theories of motivation. These theories have been put into five categories: need theory, expectancy theory, equity theory, reinforcement theory, and goal-setting theory.¹ Need theory says that people are motivated by their needs. Maslow's need hierarchy, Herzberg's two-factor theory, McClelland's need theory, and Alderfer's ERG theory fall in this category. Expectancy theory explains the process that an individual uses in deciding what is valuable to him and how it can be achieved in a given situation. Vroom's theory falls in this category. Equity theory suggests that people want equity in their performance and reward. Adams's theory falls in this category. Reinforcement theory is based on Skinner's behaviour modification and suggests that people may be motivated by both positive reinforcement and negative reinforcement. Goal-setting theory relates nature of goals and performance in motivating employees.

The above theories may be put into two categories based on how people may be motivated: content theories and process theories. Content theories suggest that people have certain needs which motivate them to engage in goal-directed behaviour to satisfy these needs. Various need theories fall in this category. Process theories deal with the process of motivation and are concerned with how motivation occurs. Other theories fall in his category.

Besides these theories, Ouchi has coined Theory Z based on management practices of Japanese companies. Though this theory does not deal only with motivation, but deals with other management aspects also, it provides some clues for motivation.

Various theories of motivation approach the problems of motivation from different perspectives, but they all emphasize similar set of relationships. These relationships are the individual, his needs, and his perception of how he will be able to satisfy his needs. All these theories have their relevance only in a particular context, and when the context changes, they may not work because they are not unified theories which can be applied in all situations. Therefore, *contingency theory of motivation* is required. However, contingency theory has not been fully developed as yet. Now, let us go through various theories of motivation to find out what they propose and offer implications for motivating people in organizations.

MASLOW'S NEED HIERARCHY

Maslow has proposed that motivation of people depends on their needs and these needs may be arranged in a hierarchy² as shown in Figure 15.1.

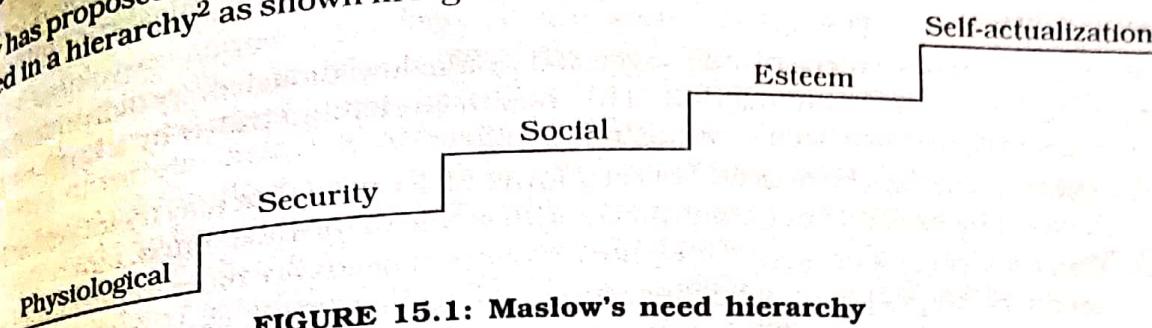


FIGURE 15.1: Maslow's need hierarchy

Need hierarchy theory is based on the following assumptions:

1. People's needs are in hierarchical order starting from basic needs to higher order needs.
2. A satisfied need does not motivate a person; only the next higher order need motivates him.
3. A person moves to the next order higher need of the need hierarchy when his lower order need is reasonably satisfied.
4. Various needs are interdependent and overlapping; each higher order need emerges before the lower order need has been completely satisfied. Thus, even though a need is satisfied, it does not disappear and influences behaviour but it is not a prime motivator.

Description of various needs of need hierarchy is as follows:

1. **Physiological Needs.** Physiological needs are basic to everyone to maintain his physiological characteristics, for example, needs for food, clothing, shelter, etc. In the organization, these needs are satisfied by paying adequate remuneration for work done.
2. **Safety Needs.** Safety needs, also known as security needs, are related to self-preservation - being free of physical danger. In the organization, these needs are satisfied by job security and financial incentives having long-term implications like provident fund, pension, insurance plan, etc.
3. **Social Needs.** Social needs are related to belongingness of people at work, acceptance by others, working in harmonious group, etc. In the organization, such needs are satisfied creating harmonious work groups, rapport between superior and his subordinates, informal organization, etc.
4. **Esteem Needs.** Esteem needs are concerned with self-respect, self-confidence, feeling of worthwhile, recognition of good work, etc. In the organization, esteem needs are satisfied by giving recognition of good work in the form of promotion, award, specialized posting, etc.
5. **Self-actualization Needs.** Self-actualization needs are concerned with maximum use of one's potential. In other words, it is 'becoming what one is capable of being'. In fact, a person has lot of potential which remains dormant till he gets opportunity to utilize it like presentation of a challenge. In the organization, self-actualization needs are satisfied by providing challenging work and opportunity to contribute substantially to achieve organizational objectives.

Critical Analysis of Maslow's Need Hierarchy

Maslow's theory has reasonable support for the hypothesis that human needs have some hierarchical order. However, a basic question is: "is need hierarchy rigid and does every person

try to satisfy his needs according to this hierarchy? If the answers are in positive, there is no problem in motivating people. However, it is not so. The hierarchy is not so rigid for all the individuals and all the times. Therefore, problems emerge in putting this theory into practice which are as follows:

1. There is lack of need hierarchy as suggested by Maslow, though every individual has some ordering for his need satisfaction. This has been demonstrated by a large number of researches which have been generalized as follows:
 - (i) Some people may be deprived of their lower order needs but may try for self-actualizing needs. The example of Mahatma Gandhi is one of the most important.
 - (ii) There are certain persons for whom self-esteem needs are more important than social needs. Such people may be those who seek self-assertion as a means to an end.
 - (iii) There is considerable disordering among various types of needs. For example, many people do not care for job security (security need) but care for social need. Similarly, many people may not care for social need but for self-esteem need.
 - (iv) For some people, many of the needs may not form part of their own need hierarchy. Thus, there is not only question for reversal of hierarchy but also discontinuity of hierarchy. For example, there may be people who might be deprived of social need from their childhood. They may develop apathy towards such needs, though it is just possible that they may develop high order for such need.
2. There is another problem, which is common with many other theories also, that there is often a lack of direct cause-effect relationship between need and behaviour, discussed earlier in the Chapter. Thus, a particular need may cause behaviour in different ways in different persons or a particular behaviour may be the result of different needs. For example, people may earn money to satisfy several types of needs, not only physiological needs. Thus, need hierarchy is not as simple as it seems to be.
3. A person tries to satisfy his next higher order need when his lower order need is reasonably satisfied. What is this reasonable level? This question is more relevant because of individual differences.

These are some basic problems involved in the application of Maslow's need hierarchy. However, this theory suggests hierarchical nature of human needs which provides clue for motivating employees. The only thing a manager can do is that he provides as many incentive schemes as possible with provision of choosing a scheme or a set of schemes by the employees.

✓ HERZBERG'S MOTIVATION-HYGIENE THEORY

Based on research study, Herzberg has concluded that there are two categories of factors emerging from job conditions: hygiene factors and motivating factors.³ Because of categorization of various factors into two groups, this theory is also known as *two factors theory*. Various hygiene and motivating factors as follows:

Hygiene Factors. Hygiene factors (also known as maintenance factors) are those factors which are not intrinsic parts of a job, but they are related to conditions under which a job is performed. These factors are company policy and administration, technical supervision, interpersonal relationship with supervisors, interpersonal relationship with peers, interpersonal relationship with subordinates, salary, job security, personal life, working conditions, and status. These factors are not motivating factors but these only prevent low work performance due to work restrictions. These factors are necessary to maintain at a reasonable level of satisfaction in employees. Any increase beyond this level will not provide any satisfaction to the employees; however, any cut below this level will dissatisfaction them. As such, these are also called as dissatisfiers.

Motivation

Motivating Factors. Motivating factors are those factors which are related to a job. These factors are achievement, recognition, advancement, work itself, possibility of growth, and responsibility. These are capable of having a positive effect on job performance. An increase in these factors will satisfy the employees; however, any decrease will not affect their level of satisfaction. Therefore, these factors are known as satisfiers. Since these factors increase level of satisfaction in the employees, these can be used in motivating them for higher performance. Herzberg maintains that potency of various factors is not entirely a function of the factors themselves. It is also influenced by the personality characteristics of the individuals. From this point of view, individuals may be classified into two groups – motivation seekers and maintenance seekers. The motivation seekers generally are individuals who are primarily motivated by the 'satisfiers'. On the other hand, the maintenance seekers tend to be more concerned with 'dissatisfiers'.

Critical Analysis of the Theory

Herzberg's theory is based on the assumption that most of the people are able to satisfy their lower order needs considerably. As such, they are not motivated by any further addition of satisfaction of these needs. This is true which has been supported by many research studies. Herzberg's theory has been applied in the industry and has given several new insights. One of these insights is *Job enrichment*. The idea behind job enrichment is to keep maintenance factors constant or higher while increasing motivating factors. However, Herzberg's theory is not applicable in all conditions which has been substantiated by various research studies. Therefore, classification of various job factors into maintenance and motivating is not universal. This classification can only be made on the basis of level of persons' need satisfaction and relative strength of their various needs. Thinkers on the subject have argued against the theory as follows:

1. Job satisfaction and dissatisfaction are two opposite points on a single continuum. Individuals on the job are affected by any change either in the job environment or in the job content.
2. Herzberg's theory is 'method bound', and a number of other methods used for similar study have shown different results not supporting his contentions. Thus, the theory has limitations in general acceptability.
3. This theory does not attach much importance to pay, status, or interpersonal relationships which are held generally as important contents of satisfaction.

Comparison of Maslow and Herzberg Theories

When theories of Maslow and Herzberg are compared, it can be seen that both the theories focus their attention on the same relationship, that is, what motivates an individual. Maslow has given it in terms of need hierarchy while Herzberg has put factors affecting satisfaction of human needs into two categories: maintenance and motivating. Thus, theories of both are related in some way as shown in Figure 15.2.

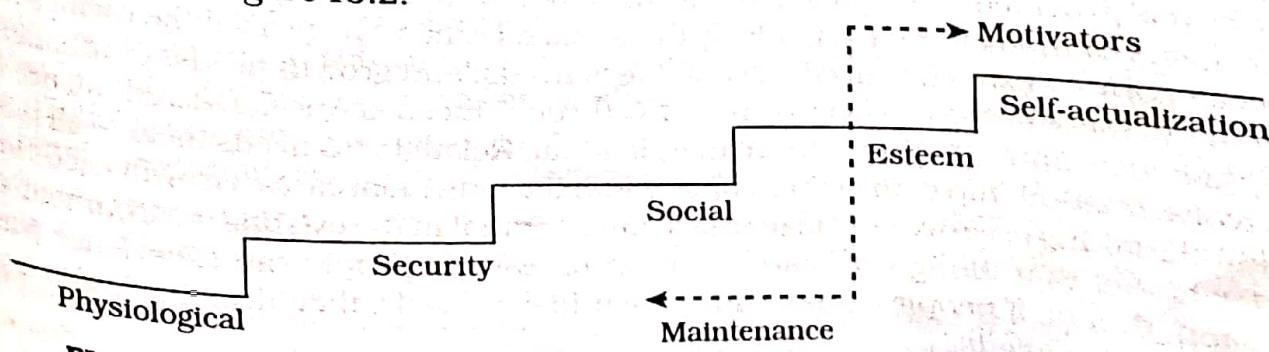


FIGURE 15.2: Relationship between models of Maslow and Herzberg

TABLE 15.1: Various types of inputs and outcomes

Inputs	Outcomes
Efforts	Pay
Time	Promotion
Education	Recognition
Experience	Security
Training	Personal development
Ideas	Benefits
Ability	Friendship opportunity

Person's outcomes	\rightarrow	Others' outcomes
Person's inputs		Others' inputs

In this case, the person experiences guilt feeling.

Underpaid Inequity. In this case, the person perceives that his outcomes are lower as compared to his inputs in relation to others. This relationship can be expressed as:

$$\frac{\text{Person's outcomes}}{\text{Person's inputs}} < \frac{\text{Others' outcomes}}{\text{Others' inputs}}$$

In such a relationship, the person experiences dissonance.

Equity. In this case, the person perceives that his outcomes in relation to his inputs are equal to those of others. This relationship can be expressed by:

$$\frac{\text{Person's outcomes}}{\text{Person's inputs}} = \frac{\text{Others' outcomes}}{\text{Others' inputs}}$$

In this case, the person experiences satisfaction.

Implications of the Theory

Equity theory has a number of implications for managers. *First*, the theory makes managers realise that equity in performance and reward tends to be one of the most important motive of the people in the organization. Therefore, equity concept should be given adequate consideration in designing motivation system. "Equal pay for equal work" principle is based on this theory. *Second*, perception of equity by employees is important factor in work setting. Therefore, management should take this aspect into consideration and attempt should be made to develop the perceptual skills of the people.

However, there are some practical difficulties in applying equity theory due to many qualitative and psychological factors involved. *First*, it is difficult to assess the perception (or misperception) of people about inputs-outcomes relationships. *Second*, equity is a matter of comparison. The relevant question in this context is: "how does a person choose the comparison person?" The process by which the person decides whom to compare himself with is not clearly understood as yet. *Third*, equity theory does not specify the actions which a person will take to reestablish equity if he perceives inequity. Notwithstanding, the concept of equity has its relevance in motivation which has been recognized both in theory and practice.

✓REINFORCEMENT THEORY

Reinforcement theory, based on Skinner's behaviour modification model, suggests that people's behaviour that has positive consequences is repeated while the behaviour that has negative

Motivation
 Reinforcement theory aims at increasing strength of desirable behaviour and decreasing, or even extinguishing negative behaviour by presenting reinforcement. Reinforcement is anything that strengthens or encourages someone's behavioural response in a given situation. For motivating people to engage in desirable behaviour and refraining from undesirable behaviour, managers may use the following methods:

1. **Positive Reinforcement.** Positive reinforcement is anything which strengthens desirable behaviour of people. It is in the form of reward for desirable behaviour, either in monetary form (like financial incentive) or non-monetary form (like praise for good work).
2. **Negative Reinforcement.** Negative reinforcement is anything which strengthens one's behaviour in order to avoid undesirable consequences, for example, criticizing a person for his bad performance.
3. **Punishment.** Punishment is anything that weakens and decreases the behaviour which has been punished, for example, disciplinary action for indiscipline.
4. **Extinction.** Extinction involves withdrawal of a positive reinforcement that has led to undesirable behaviour. For example, many organizations encourage employees to form literary groups, cultural groups, etc. for better socialization and personality development. Over the period of time, these groups become dysfunctional because many activities related to these groups are performed during office time. In order to overcome this problem, employees may not be encouraged to form and operate such groups.

Traditional carrot and stick approach of motivation is based on reinforcement theory. The carrot and stick approach of motivation comes from the old story that the best way to make a donkey move is to put a carrot in front of it or jab it with a stick from behind. The carrot is the reward for moving and the stick is the punishment for not moving. The carrot and stick approach of motivating people takes the same view. Though punishment connotes negative approach, organizations should have penal provision to restrain employees from engaging in undesirable behaviour which has serious negative consequences for the organizations. In order to make punishment effective, the following points should be taken into consideration while using it:

1. Punishment is effective in modifying the behaviour if it forces the person to select a desirable alternative behaviour that is then rewarded.
2. If the desirable behaviour is not reinforced, the punished behaviour will be only temporarily suppressed and will reappear when the punishment is removed. Furthermore, the suppressed behaviour may cause the person to be fearful and anxious.
3. Punishment is more effective if applied at the time when the undesirable behaviour takes place.
4. Punishment must be administered with extreme care so that it does not become reward for undesirable behaviour. A punishment, from one point of view, may become a reward for the person concerned.

GOAL-SETTING THEORY

Goal-setting theory states that employees will be motivated if they set their own work goals. US psychologist Edwin Locke proposed goal setting by the employees themselves as an incentive to them during 1960s. Subsequently, this concept was refined by Locke and his associates in the form of goal-setting theory.⁸ Goal-setting becomes motivating when goal-setting process has the following features:

1. Goals are set clearly and precisely.
2. Goals are challenging requiring use of untapped potentials of the employees.

3. Employees feel that they are part of the goal-setting process.
4. The task to be performed must be complex but not overwhelmingly, with sufficient time and resources available.
5. There is constant feedback about progress towards achievement of goals.

Propositions of goal-setting theory seem to be valid as indicated by some research studies. However, there are some problems in applying this theory. *First*, many organizations are designed in such a way that it works against joint goal setting. *Second*, individuals are more tempted to take risky actions in pursuit of their goals, which could potentially lead to failure rather than success.

THEORY Z

Theory Z describes the major postulates of Japanese management practices and how these practices can be adopted in USA and other countries.⁹ It can be made clear that the letter Z does not stand for anything; it just denotes the state of affairs related to human behaviour as has been done in the case of theories X and Y (discussed in Chapter 14). Ouchi who coined the term theory Z has suggested the following five broad features of Theory Z:

1. **Trust.** There is trust between employees, work groups, unions, supervisors, management, and government. According to Ouchi, trust, integrity, and openness are closely related. When an organization relies on these principles, employees tend to be motivated and cooperate to the maximum extent.
2. **Strong Bond between Organization and Employees.** There is strong bond between organization and its employees because of stability of employees in the organization. Stability is created by lifetime employment, highly conducive work environment, and slow employee promotion. In the case of economic slowdown, employees are not retrenched and shareholders are ready to accept lower profit or even loss.
3. **Employee Involvement.** There is employee involvement which comes through meaningful participation in decision making. When any decision is made without involving employees, they are informed immediately so that they do not feel ignored. However, any decision affecting employees in any way is made jointly.
4. **No Formal Structure.** There is no formal structure for the organization containing divisions and organization chart. Instead, it is a perfect teamwork with cooperation along with sharing of information, resources, and plans. Employees work like members of a basketball team which plays well together and solves all problems with no formal reporting relationships and minimum specialization of positions and of tasks. The organization places emphasis on rotational aspect of employee placement which provides opportunities to him to understand how his work affects others or is affected by others. This enables him to develop group spirit which is the basic backbone of success.
5. **Coordination of Human Beings.** The leader's role is to coordinate people and not technology to achieve productivity. This involves developing people's skills and also the creation of new philosophy of management. The purpose is to achieve commitment of employees to the development of a less-selfish-more-cooperative approach to work. Before commitment can occur, there is mutual understanding between management and employees which comes from the open expression of skepticism through a process of debate and analysis. This develops a common culture and imbibes no class feeling in the organization.

Implications of Theory Z

Theory Z provides a complete transformation of motivational aspect of employees which other theories are not able to emphasize. However, it can be mentioned that Theory Z is not merely a

motivational technique but involves the complete transformation of management actions including various management techniques. The basic question is whether the same pattern can be followed by other countries including India because of difference between Japanese culture and culture of other countries. There are some features which may work against the precepts of Theory Z, particularly in Indian context. These are as follows:

1. The provision of life-time employment to develop strong bond between the organization and its employees seems to be difficult because of two reasons: (i) Employer is unlikely to retain an employee who is otherwise unproductive because of availability of his alternative. (ii) An employee will not hesitate to switch over to another organization, if there is a relative rise in his income or other non-monetary benefits.
2. Theory Z emphasizes common culture and imbibes no class feeling within an organization. This again seems to be very difficult because people come from such a wide variety of environments and differ in habits, eating pattern, dress, and languages which may be a barrier in developing common culture.
3. The proposition that shareholders will accept less profit or accept losses to avoid lay-off does not seem to be feasible in Indian context where most of the organizations believe in low level of social responsibility.
4. The participation in decision making in Indian context has its own limitations.
5. There may be some operational problems in implementing Theory Z. For example, organization without its structure has been emphasized by many but how actually it works is yet unanswered. A large organization without some kind of structure, even though highly flexible, may present chaos. It may be true with the basketball team but when it comes to large organizations, it presents problems. Even modern American organizations could not follow this. It can be summed up that Theory Z does not present the total solution of management problems of motivating employees at least for the present.

CONTINGENCY APPROACH OF MOTIVATION

The appraisal of various theories of motivation and resultant motivational strategies indicates that there is no single method or a set of methods which can be used for motivating everyone. This is due to individual difference. Thus, what motivates people is situational. This is the basic theme of contingency approach of motivation. However, it does not mean that various theories of motivation do not offer any help. In fact, the contingency approach is derived out of these theories. It merely suggests that in motivating people, all the contextual variables must be specified and their inter-relationship should be established. When this is done, it may be comparatively easier to find out the motivational strategy which is applicable in the given situation.

Contingency approach emphasizes linking between micro-motivation and macro-motivation. Micro-motivation operates at the level of individual organizations while macro-motivation operates at the broad social level. Thus, what is a motivating factor in one society may not be as effective in another society. Since individuals who join an organization, do not bring merely their skills and competence but also their attitudes and values conditioned by their families, ethnic groups, and other socio-cultural variables, they should be taken as a whole while designing strategy for motivating them. Thus, contingency approach emphasizes the analysis of individual and organizational variables which are as follows:

1. Since individuals differ in terms of their personality, ability, attitudes, and values, their need patterns also differ. The analysis of individuals provides clue about the factors which motivate them.
2. An individual's needs are determined by his initial needs derived from his socio-cultural background as well as the needs which he develops through the interaction with the