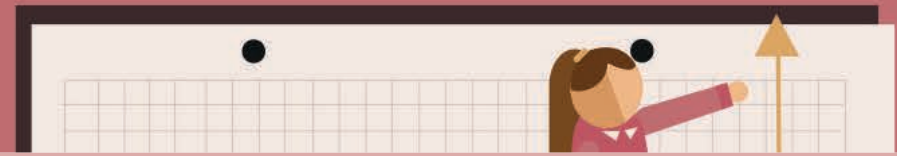


# Principles of Developing, Managing and Leading Individuals and Teams to Achieve Success

## Lesson 7





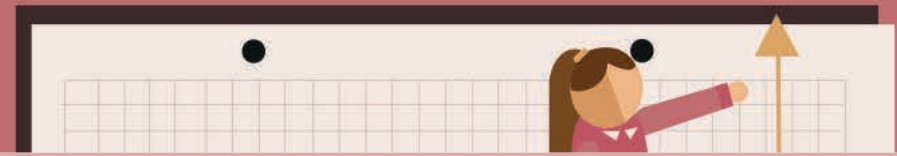
## Supporting High-performing Teams

The value of getting  
your team members  
to share a deep  
commitment to  
their goals

The importance of  
providing constructive  
feedback on  
performance

Important theories  
of motivation

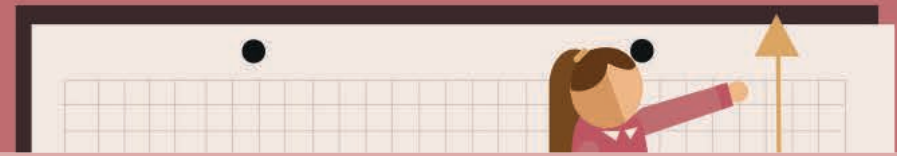
The difference  
between transactional  
and transformational  
approaches to reward



## High-performing Teams

In the last lesson, we looked at how managers can help address poor performance within their teams through performance improvement plans. But performance improvement shouldn't just be a target for those who are underperforming - every team should be looking to improve in some way.

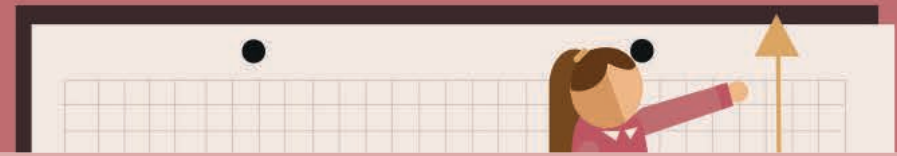
So what can managers do to squeeze better performance out of teams that are already performing to a satisfactory level? How can they enable and support 'high-performing' teams?



## High-performing Teams (cont.)

The concept of the 'high-performing team' was first popularised by management consultants Jon Katzenbach and Douglas Smith in the early 1990s.

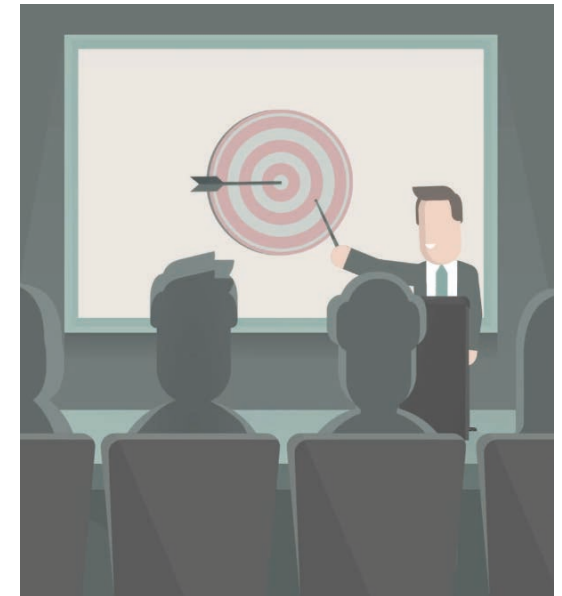
They observed that some teams achieve higher levels of performance than others - and they found that high-performing teams typically have a strong commitment to achieving their goals.

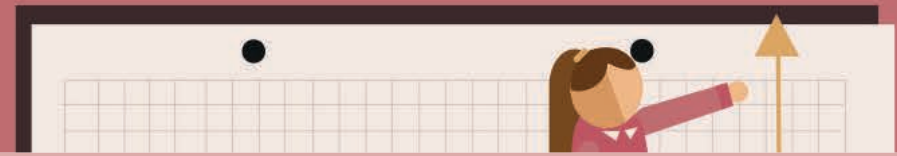


## High-performing Teams (cont.)

According to them, 'high-performing teams' "invest much time and effort explaining, shaping and agreeing on a purpose that belongs to them, both collectively and individually. They are characterised by a deep sense of commitment to their growth and success."

Your role as a manager is to encourage your team members to make this deep commitment to their goal. One way to do this is to involve teams in agreeing their own goals - this can give them a sense of ownership over their objectives that should make them more committed to achieving them.

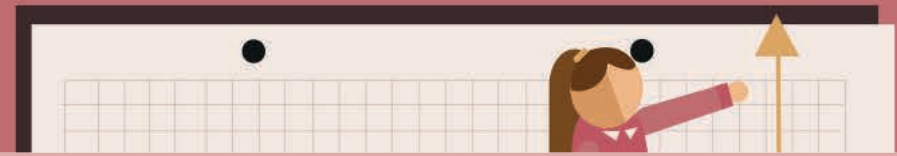




## Feedback

Other researchers have found that constructive feedback can also help teams achieve higher levels of performance.

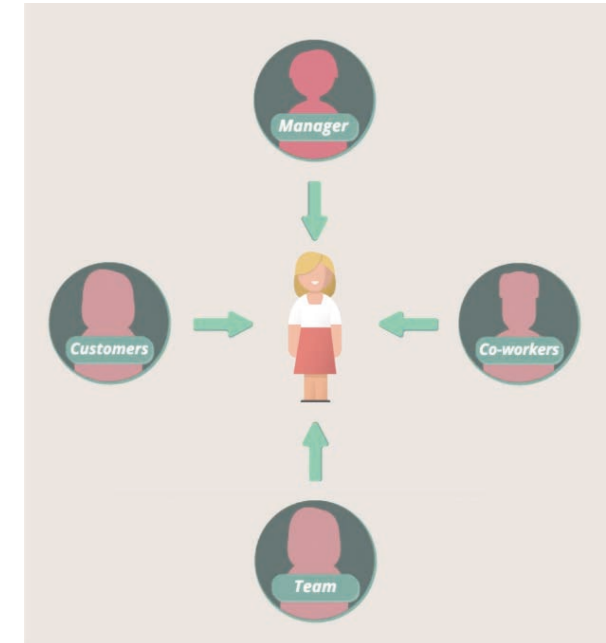
Many people associate feedback with the formal appraisal process that we looked at in the last lesson. However, while feedback plays a part in the appraisal process, it also has distinct features.

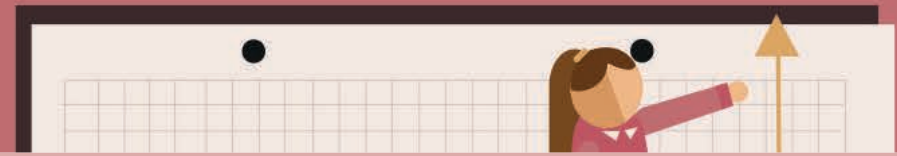


## Feedback (cont.)

According to management author Christopher D. Lee: 'Feedback is information-based, whereas the basis of appraisal is judgement or evaluation. Furthermore, feedback is an ongoing activity, and appraisal is periodic and event-based.'

So feedback is less formal and occurs more often in our interactions at work - with managers, colleagues, team members and customers. Its goals are also different. Whereas appraisal is an evaluation of results achieved, the point of feedback is further development. It's a forward-looking process.





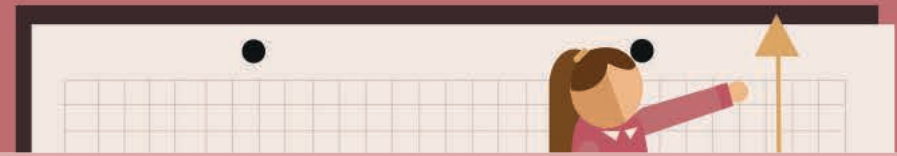
## Team Feedback

HR expert Michael Armstrong suggests that team feedback should consider:

‘The progress of the team as a whole, the contribution of individual team members, and what helped the team succeed.’

As a manager, you can decide whether to offer feedback at a team or individual level. But whatever form the feedback takes, it’s important that it’s ‘constructive’.

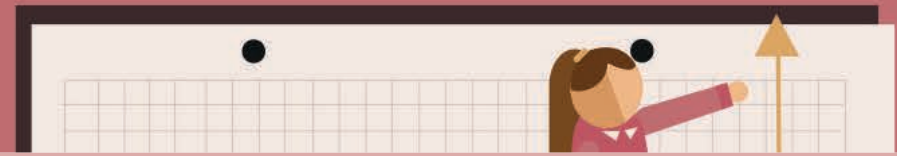




## Constructive Feedback

Constructive feedback acknowledges good and bad aspects of performance, and treats mistakes as opportunities for learning. This style of feedback encourages team members to develop their potential.

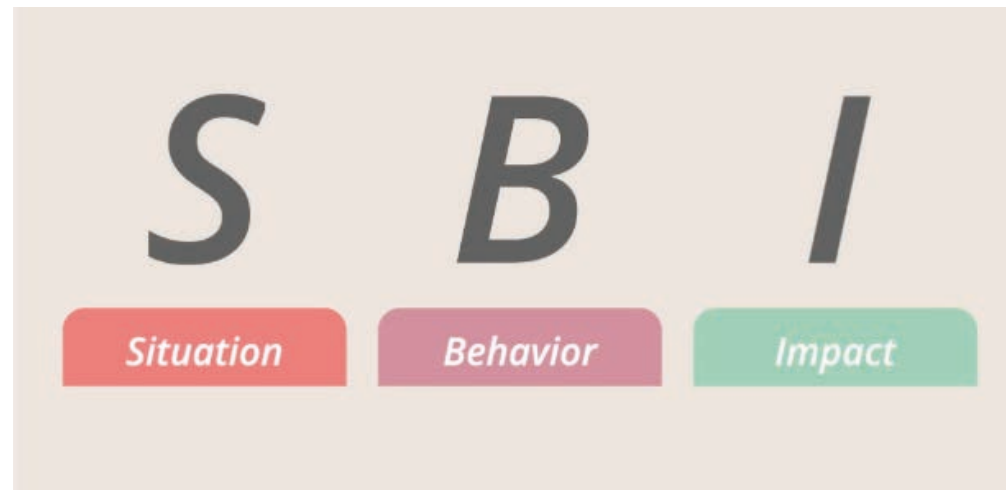
This is in contrast to 'destructive' feedback, which focuses on performance failings. In destructive feedback, mistakes are seen as evidence of incompetence rather than areas for development, and achievements may not be recognised. This type of feedback can be discouraging, and is often counterproductive.

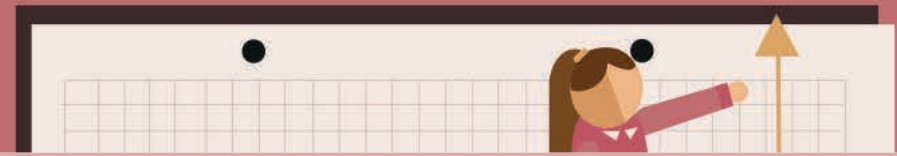


## Situation, Behaviour, Impact

Giving feedback can be daunting at first. But following a simple framework can make the process easier.

One well-used framework is **The Situation, Behavior, Impact** feedback tool. This aims to reduce the anxiety of giving feedback for the manager. As the name suggests, it has three elements.



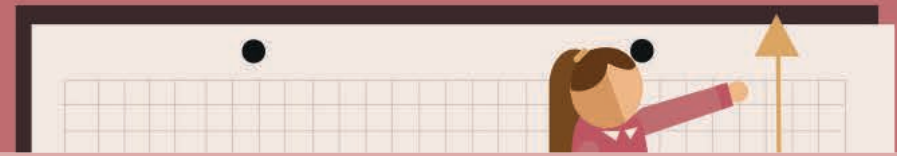


## Situation, Behaviour, Impact (cont.)

First, the **Situation**. Here, the manager sets out the context for the feedback. They are specific about when and where the activity they want to feed back on occurred.

Next, comes **Behaviour**. The manager must note productive behaviours, as well as those that need to be addressed. It's important that the information is based on observation, not on subjective judgments or rumour.

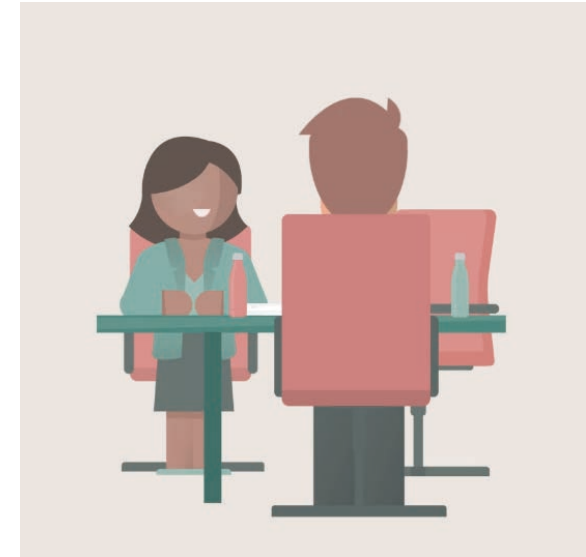
The third element is **Impact**. This describes the result of the behaviour. If the effect was positive, using encouraging words will help underscore the person's success.

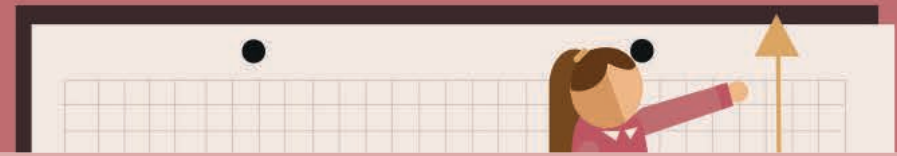


## Situation, Behaviour, Impact - Example

Let's see how this framework could be used in practice.

Debbie, a manager at a large advertising agency, has just watched James, one of her team members, give a presentation to a prospective client. She sets up a meeting later in the day to give James some feedback on how it went.

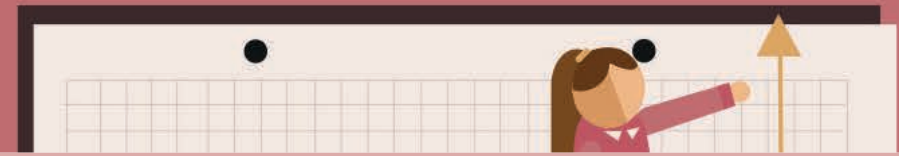




## Situation, Behaviour, Impact - Example (cont.)

Here, the situation is very clear - Debbie is feeding back about James's presentation. When describing his behaviour, she starts by giving some positive examples, telling James that his speech was clear and that he maintained good eye contact with the client.

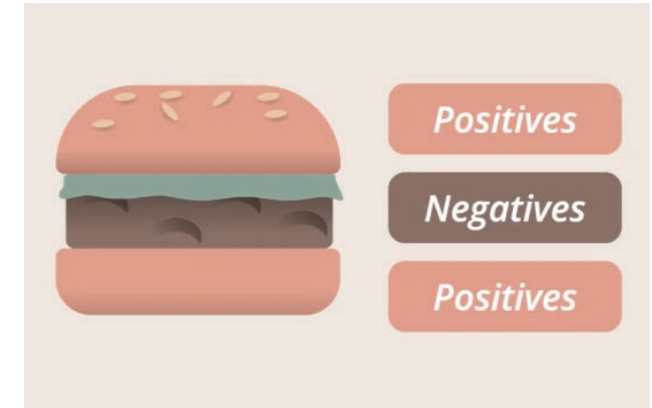
She then suggests areas for improvement, telling James that two of his slides were difficult to read, and that he wasn't able to answer one of the client's questions.

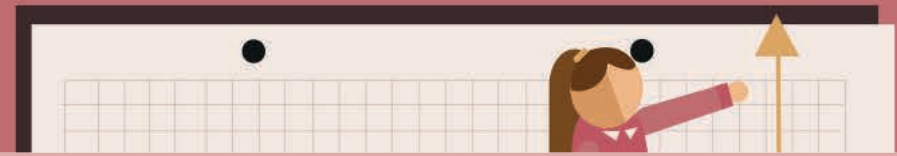


## Situation, Behaviour, Impact - Example (cont.)

To conclude, she summarises the overall impact of James's presentation, feeding back that she was 'impressed by his level of research, and that his offer to send clients further information was helpful.'

It's common practice for feedback to be presented in a 'feedback sandwich' like this, where any negative points are raised between more positive elements.





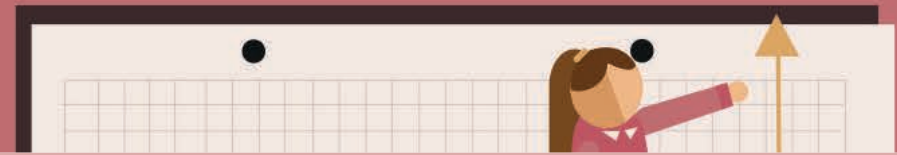
## Motivating Your Team

In addition to giving constructive feedback and making sure team members are pulling in the same direction, managers also need to make sure they motivate their teams to achieve high levels of performance.

Team members must feel it is worth their while putting in the effort required to achieve - or even surpass - their targets.

According to motivational theorists, how much effort someone will put into a task comes down to one simple question: what's in it for me?

Theories of motivation can be divided into two broad groups, based on how they suppose people approach this question.



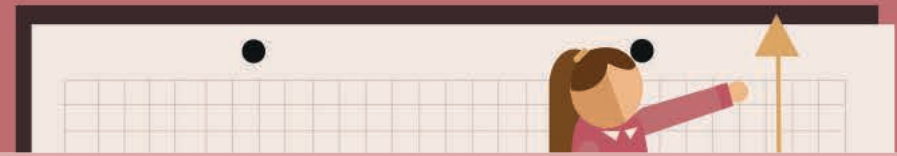
## Transactional Approaches

Early theories of motivation took a **‘transactional’** approach. These were the classic ‘carrot and stick’ models - they proposed that employees work harder to either gain reward or to avoid punishment.

The most common rewards are financial, but they can also include other perks, such as promotions or ‘employee of the month’ awards. For example, the manager of a supermarket may persuade employees to work longer hours over the busy Christmas period by offering to give them extra days’ leave over the summer. This is the reward, or carrot.



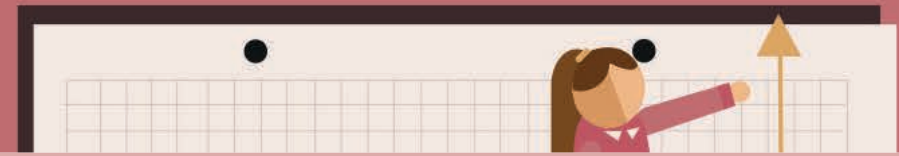




## Transactional Approaches (cont.)

On the other hand, the manager may also use punishment - or the threat of punishment - to motivate employees in other ways. If workers are consistently late to shifts, for example, the manager may dock their wages, or threaten to do so. This threat of lowered wages is the 'stick,' and as with reward, it can come in different forms. The most serious being demotion or dismissal.

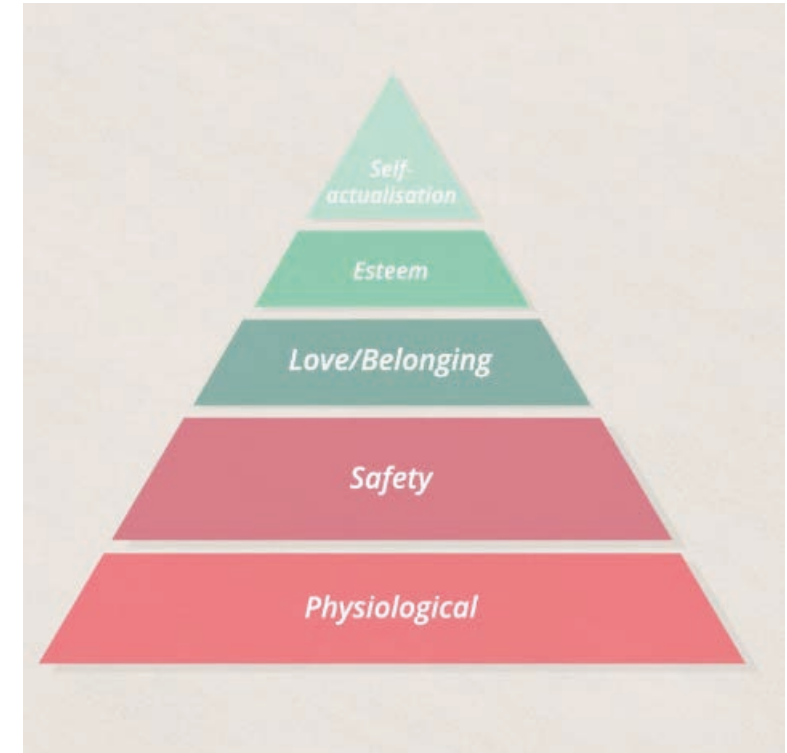
Transactional models such as this are still in wide use today, especially in jobs with simple reward and sanction structures, like hourly paid work. However, for more complex roles, a more nuanced motivational approach is often needed.

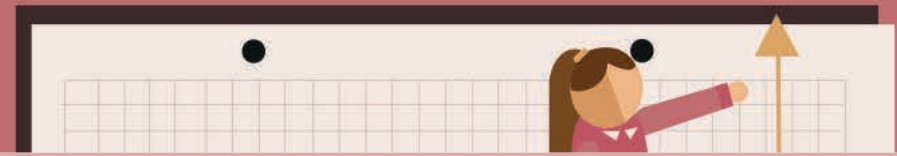


## Transformational Approaches

**Transformational models** of motivation go beyond material rewards - they look to appeal to people's 'higher-order needs', such as the need for love and belonging.

This concept is rooted in the ideas of psychologist Abraham Maslow, who argued that people have a 'hierarchy of needs', with some being more pressing than others.

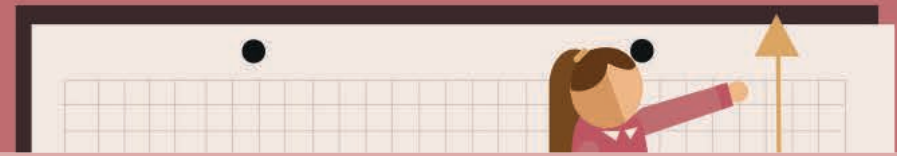




## Maslow's Hierarchy of Needs

At the base of his hierarchy, 'physiological' and safety needs - such as having food to eat and a place to shelter - are seen as basic and necessary for survival.

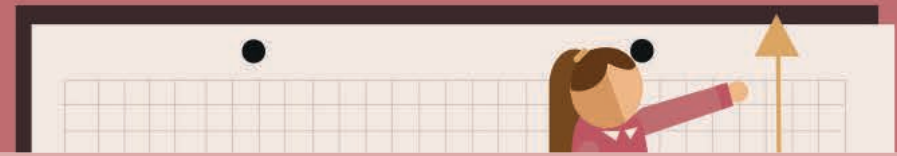
However, once these 'lower order' needs have been satisfied, social and psychological needs become more important - such as love, friends and relationships, and a sense of self-esteem. At the top of Maslow's pyramid comes the ultimate goal of 'self-actualisation' - the belief that you've achieved your full potential.



## Maslow's Hierarchy of Needs (cont.)

These higher-order needs are not so easy to satisfy, particularly in a work setting - you can't just give someone a pay rise and expect them to feel a 'sense of belonging', for example. However, if managers are able to address these needs, they can encourage a deeper sense of commitment from employees.

Giving praise and appreciation for a job well done, for example, can help improve an employee's sense of self-esteem - and motivate them to work harder.

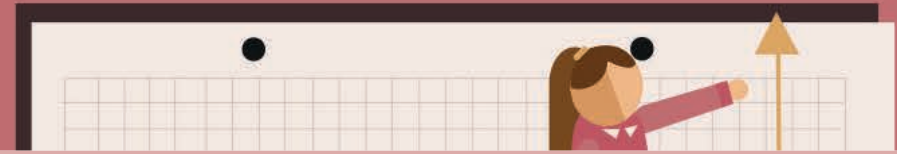


## Intrinsic and Extrinsic Motivation

This kind of approach highlights another key distinction in motivational theory, between ‘extrinsic’ and ‘intrinsic’ motivation.

‘Extrinsic motivation’ is driven by external rewards, like pay, status and public recognition. These factors are tangible and have an objective value.

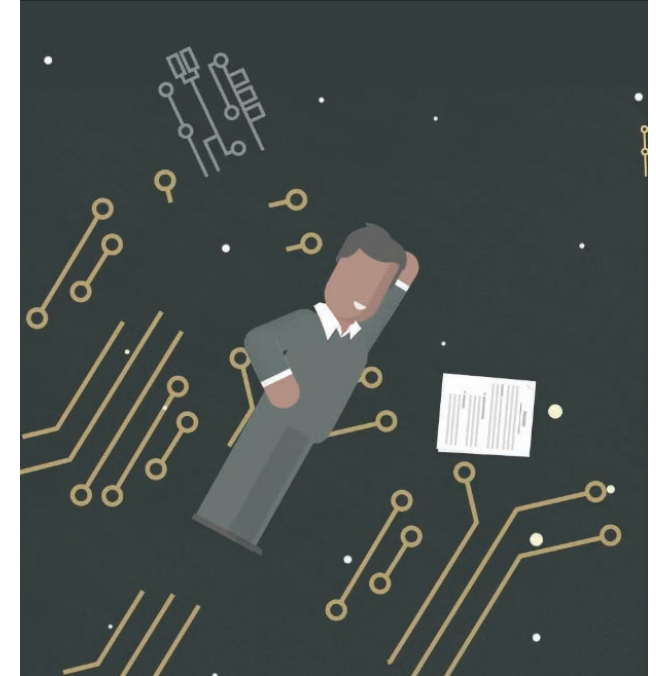
‘Intrinsic motivation’ is driven by internal rewards, like feelings of satisfaction and pride. These factors are more intangible and their value is more personal. People who are intrinsically motivated want to work because they enjoy the challenge and the way achieving something makes them feel, regardless of other factors.

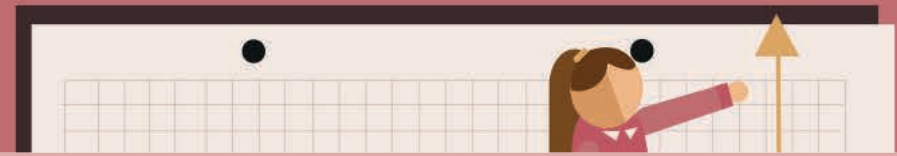


## Intrinsic and Extrinsic Motivation (cont.)

Most of us are motivated by a combination of intrinsic and extrinsic factors, but research suggests that intrinsic motivation has a more powerful effect on our state of mind.

Although rewards like salary increases or company honours can be motivating, they are not as motivating as a feeling of satisfaction with the job itself. Intrinsic motivation is what drives us to give 'discretionary effort' - to choose to go above and beyond what's expected of us because we want to do more.

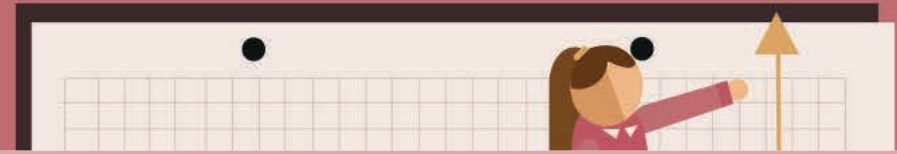




## Intrinsic and Extrinsic Motivation (cont.)

For a manager, therefore, it's important to create conditions that will give team members more opportunity to achieve intrinsic rewards.

This could mean giving people the chance to undertake challenging work - also known as stretch goals - and to let them feel the sense of achievement that comes with completing such tasks successfully. If people feel energised and engaged by their work, they are much more likely to give it their all than if they find it too simple or dull.

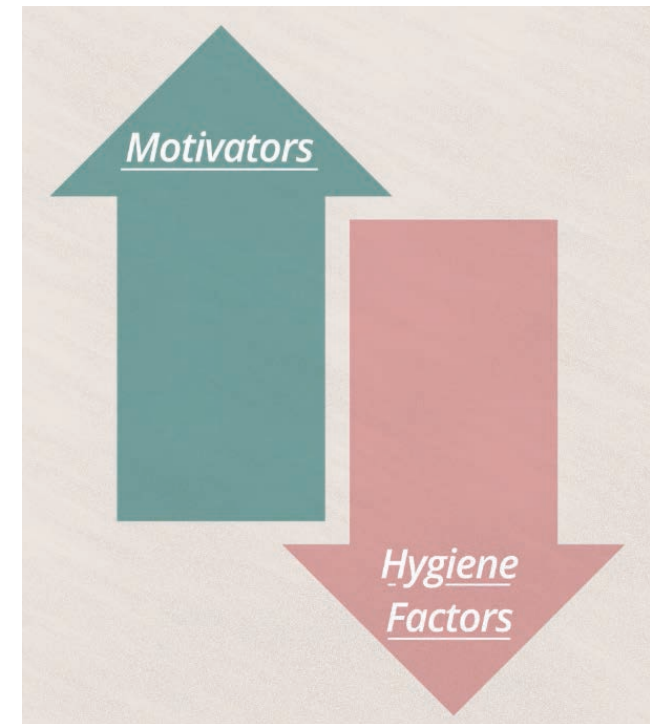


## Two Factor Theory

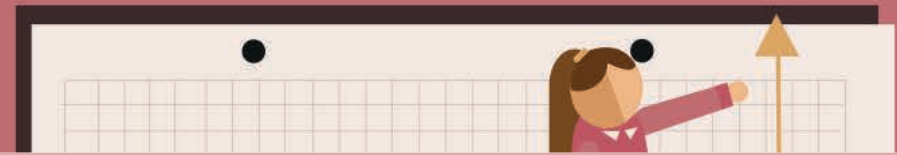
In response to Maslow, behavioural scientist Frederick Herzberg published an alternative theory of motivation, known as the **Two Factor Theory**.

Herzberg believed that a person's level of motivation could be explained in terms of two factors - which he termed 'Motivators' and 'Hygiene Factors'.

These roughly match the intrinsic and extrinsic motivators we discussed previously.







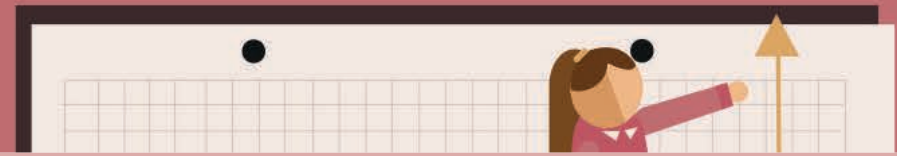
## Motivators and Hygiene Factors

**Motivators** are related to job content. They include achievement, responsibility and personal growth. According to Herzberg, these factors drive people to superior effort and performance.

**Hygiene Factors** relate to the job context and include pay, relationships with colleagues, working environment and job security. Herzberg suggests that hygiene factors don't act as motivators in themselves, but if they are missing, they'll cause job dissatisfaction and lower levels of motivation.

In a team situation, for example, a manager could manage hygiene factors by ensuring there are no 'cliques' or any bullying within the team. And they could help boost the team's motivators by giving its members more responsibility over how they carry out their tasks.

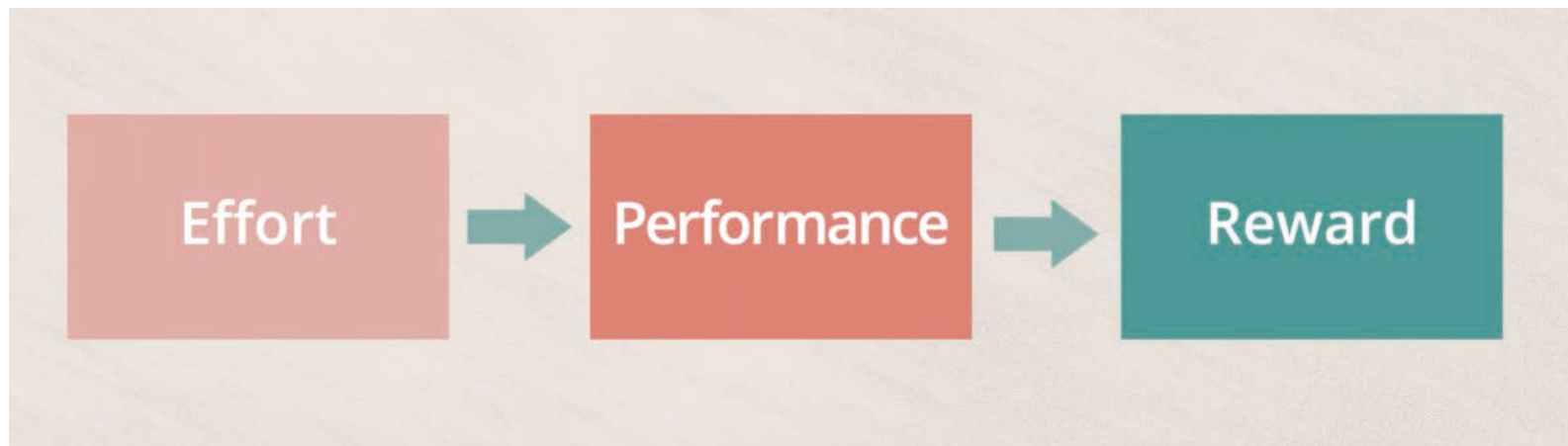


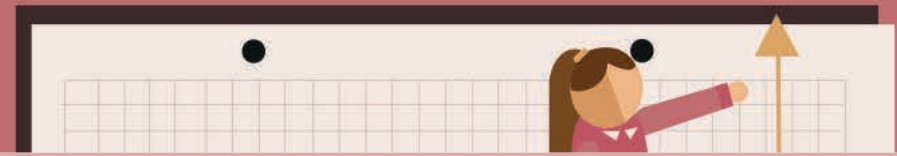


## Vroom's Expectancy Theory

The last model we'll look at in this lesson is **Vroom's Expectancy Theory**, which was first published by management professor Victor Vroom in 1964.

The model proposes that people make decisions about how hard to apply themselves to a task after asking themselves a series of questions about whether it's worth putting in the effort required.

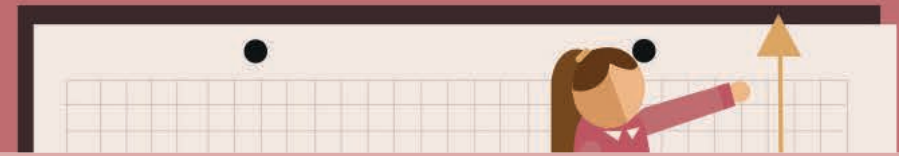




## Vroom's Expectancy Theory (cont.)

The model is expressed using three factors.

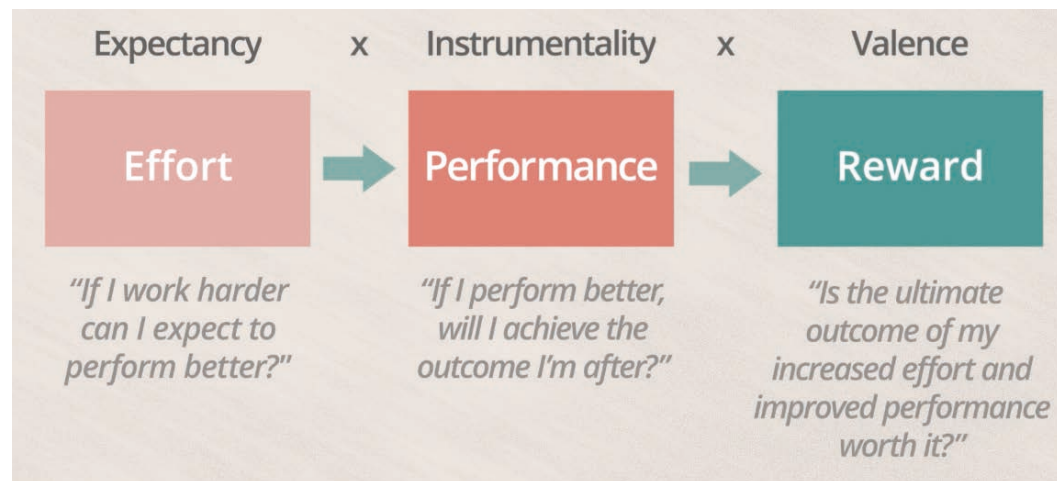
The first is **Expectancy**. According to Vroom, people first ask themselves “If I work harder can I expect to perform better?” Working harder will not always lead to better performance - if someone doesn't have access to the resources they need to succeed, for example, it won't matter how hard they work as they won't be able to improve their performance.

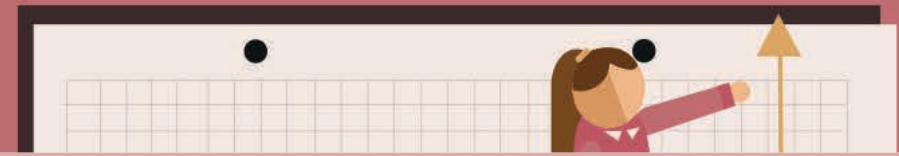


## Vroom's Expectancy Theory (cont.)

The second factor is **Instrumentality**. Vroom says people will next ask themselves “If I perform better, will I achieve the outcome I’m after?” There needs to be a clear relationship between performance and outcomes - if this isn’t there, the individual may decide it’s not worth striving for higher performance.

The final factor is **Valence**. Here, people ask themselves if the ultimate outcome of their increased effort and improved performance is worth it. If people don’t attach much value to the final outcome, they won’t be motivated to achieve it.

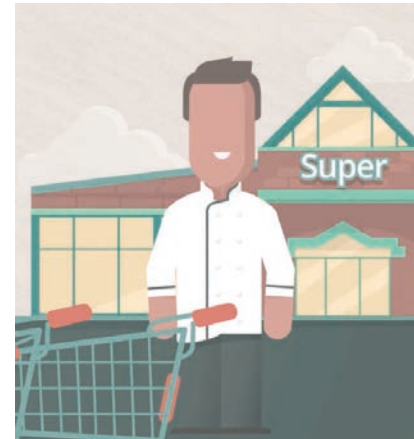


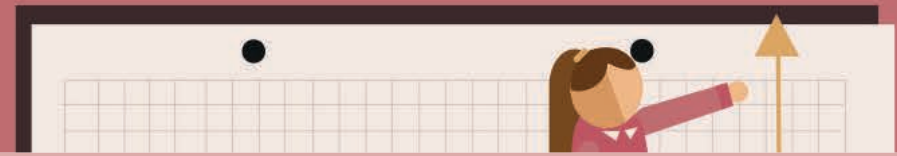


## Vroom's Expectancy Theory - Example

Let's see how this might work in practice.

Ian works as a baker in a small supermarket. Following an increase in customer demand for freshly baked bread, the manager asks Ian and the rest of his team to work beyond their normal shift times to bake more loaves. He promises to pay everyone in the team a bonus for every extra loaf baked above and beyond the usual daily quota.



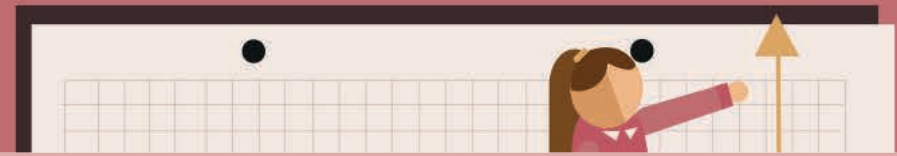


## Vroom's Expectancy Theory - Example (cont.)

Management promises to power the ovens and to provide all the required ingredients, so Ian knows if he puts in the additional hours he will have all the resources he needs to be able to bake the required loaves.

He also knows that if he produces more loaves, he will secure a decent bonus - and he trusts his manager to make any payments due.



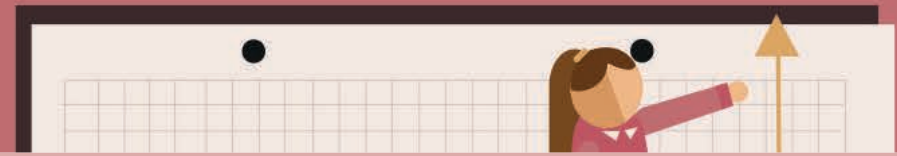


## Vroom's Expectancy Theory - Example (cont.)

However, he has to weigh the value of this additional cash against the extra hours he'll have to work, as this will mean he has less time to spend with his young family. The extra money would be helpful, but is it worth the effort? It's a close call.

Although Ian is willing to work more hours, and this will give him extra earnings, he decides he values evenings with his children more than the money and opts not to work any extra time. In his case, the outcome was not worth the effort.





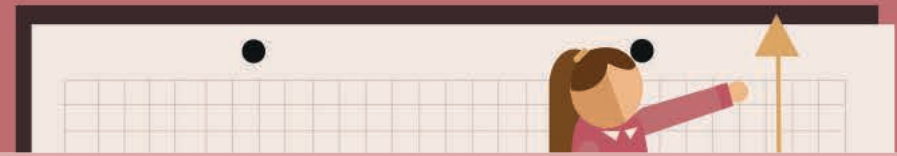
## Vroom's Expectancy Theory - Example (cont.)

Ian's manager could react by raising the bonus payments on offer - or perhaps by offering the team additional holiday time. This would offset some of the negative factors associated with working longer hours and may help persuade employees like Ian to sign up.

As you can see, Vroom's theory provides a practical tool for managers to examine different ways of motivating team members to perform.

That brings us to the end of this lesson - and the unit. We hope you've enjoyed learning about the various factors involved in developing, managing and leading individuals and teams to achieve success.





## Recap

In this lesson, you have learned about:

- The value of getting your team members to share a deep commitment to their goals
- The importance of providing constructive feedback on performance
- Important theories of motivation
- The difference between transactional and transformational approaches to reward