


Chapter 10

Motivating Employees and
Creating Self-Managed Teams

Chapter 10



THE FUTURE OF BUSINESS:
The Essentials
Gitman & McDaniel
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Chapter 10

Learning Goals


1 What are the basic principles of Frederick Taylor's concept of scientific management?

2 What did Elton Mayo's Hawthorne studies reveal about worker motivation?

3 What is Maslow's hierarchy of needs, and how do these needs relate to employee motivation?

4 How are McGregor's Theories X and Y and Ouchi's Theory Z used to explain worker motivation?

5 What are the basic components of Herzberg's motivator-hygiene theory?



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2

Chapter 10

Learning Goals (continued)

6 What three contemporary theories on employee motivation offer insights into improving employee performance?

7 How can managers redesign existing jobs to increase employee motivation and performance?

8 What different types of teams are being used in organizations today?

9 What initiatives are organizations using today to motivate and retain employees?

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3

1

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Learning Goal 1

What are the basic principles of Frederick Taylor's concept of scientific management?

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Frederick Taylor's Scientific Management

Basic Principles

1. Develop a scientific approach for each elements of a person's job.

2. Scientifically select, train, teach, and develop workers.

3. Encourage cooperation between workers and managers.

4. Divide work and responsibility according to who is better suited to each task.

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Learning Goal 2

What did Elton Mayo's Hawthorne studies reveal about worker motivation?

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The Hawthorne Studies

Hawthorn Effect

The phenomenon that employees perform better when they feel singled out for attention or feel that management is concerned about their welfare.

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Learning Goal 3

What is Maslow's hierarchy of needs, and how do these needs relate to employee motivation?


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Maslow's Hierarchy of Needs



A pyramid diagram representing Maslow's Hierarchy of Needs. The pyramid is divided into five horizontal layers, each with a label. From bottom to top, the layers are: Physiological, Safety, Social, Esteem, and Self-Actualization. The pyramid is shaded with a gradient, being darker at the base and lighter at the top.

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9

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Learning Goal 4

How are McGregor's Theories X and Y and Ouchi's Theory Z used to explain worker motivation?

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McGregor's Theories X and Y

Theory X

- The average person dislikes work and will avoid it if possible
- People must be controlled, directed, or threatened with punishment
- The average person prefers to be directed, avoids responsibility, is unambitious, and wants security

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McGregor's Theories X and Y

Theory Y

- Work is as natural as play or rest
- Workers can be motivated using positive incentives
- The average person seeks out responsibility

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Ouchi's Theory Z

Theory Z

Emphasizes:

- Long-term employment
- Slow career development
- Moderate specialization
- Group decision making
- Individual responsibility
- Informal control over the employee
- Concern for workers

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Learning Goal 5

What are the basic components of Herzberg's motivator-hygiene theory?

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Herzberg's Motivator-Hygiene Theory

Motivating Factors
(Job satisfiers)

→

Intrinsic job elements
that lead to satisfaction

Hygiene Factors
(Job dissatisfiers)

→

Extrinsic elements of
the work environment

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15

5

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Motivating and Hygiene Factors

Motivating Factors	Hygiene Factors
Achievement Recognition Work itself Responsibility Advancement Growth	Company policy Supervision Working conditions Interpersonal relationships at work Salary and benefits Job security

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16

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Learning Goal 6

What three contemporary theories on employee motivation offer insights into improving employee performance?

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Contemporary Views on Motivation

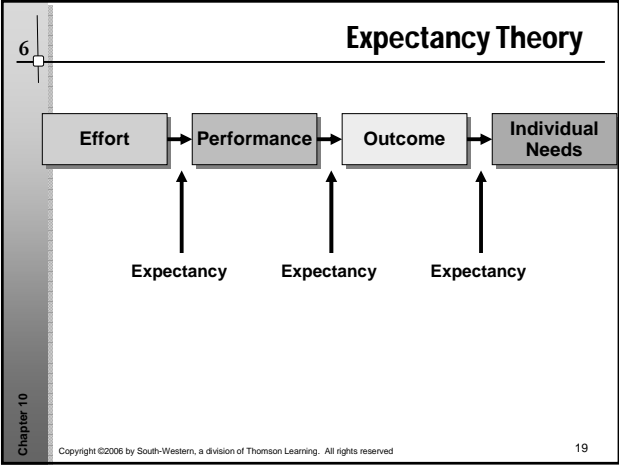
Expectancy Theory

Equity Theory

Goal-Setting Theory

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Expectancy Theory

Motivating Employees

- Determine the rewards valued by each employee
- Determine the desired performance level
- Make the performance level attainable
- Link rewards to performance
- Determine what factors might counteract the effectiveness of an award
- Make sure the reward is adequate for the level of performance

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Equity Theory

Employees evaluate their outcomes in relation to their inputs and compare to their past experience in...

- A different position in the current organization
- A different organization

or...

- Another employee's experience inside the organization
- Another employee's experience outside the organization

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Equity Theory

Employee Choices if an Inequity Exists

Change work habits

Change job benefits and income

Distort their perception of themselves

Distort their perception of others

Look at situation from different perspective

Leave the situation

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Goal-Setting Theory

Goal-Setting Theory

An individual's intention to work toward a goal is a primary source of motivation.

Components

- Specific goals lead to a higher level of performance
- More difficult goals lead to better performance
- Feed back on progress toward the goal enhances performance

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Motivation is Culture Bound

1. English-speaking countries:
--higher on individual achievement
--lower on desire for security
2. French-speaking countries:
--higher on security
--lower on challenging work
3. Northern European countries:
--lower on "getting ahead" and work recognition
--higher on job accomplishment and concern for people
4. Latin American and Southern European countries:
--lower on individual achievement
--higher on job security (Southern Europe)
--higher on fringe benefits
5. Germany:
--higher on security, fringe benefits, and "getting ahead"
6. Japan
--lower on advancement and autonomy
--higher on challenge and work environment

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Learning Goal 7

How can managers redesign existing jobs to increase employee motivation and performance?

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Motivational Job Design

Options for Increasing Motivation

Job Enlargement

Job Enrichment

Job Rotation

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Work-Scheduling Options

Compressed Workweek	Fitting 40 hours into a shorter workweek
Flextime	Employees decide what their work hours will be
Job Sharing	Allows two individuals to split the tasks and hours of a workweek
Telecommuting	Employees work from home via a linked computer

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Monetary Incentives

Piece-Rate Plans

Profit Sharing

Gain Sharing

Bonuses

Stock Options

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Learning Goal 8

What different types of teams are being used in organizations today?

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Group Decision Making

Strengths	Weaknesses
<ul style="list-style-type: none">More information and knowledge to decisionsDiversity of perspectives, more alternativesMake results in a higher-quality decisionIncreases likelihood that decisions will be accepted	<ul style="list-style-type: none">Takes a longer time to reach a solutionMay pressure others to conformMay be dominated by one or more participantsLack accountability, because it is difficult to assign responsibilities for outcome to any one individual

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Types of Teams

Problem-Solving Teams	Generate ideas and alternatives and may recommend a course of action
Self-Managed Work Teams	Manage themselves without formal supervision, take responsibility for goal setting, planning work activities
Cross-Functional Teams	Made up of employees from same hierarchical level, but different functional areas

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Building High-Performance Teams


1. Create and share team's purpose

2. Create specific and challenging goals

3. Create a collaborative approach

4. Define clear roles

5. Define complementary skills



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Learning Goal 9

What initiatives are organizations using today to motivate and retain employees?

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Trends in Employee Motivation

Nurturing Knowledge Workers

Work-Life Benefits

Employee Ownership

Education and Training

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Lowering Absenteeism

- Allow “make-up time”
- Establish a grace period for late arrivals
- Eliminate advance-notice requirement for tardies
- Allow employees to occasionally refuse mandatory overtime
- Eliminate formal attendance policies
- Provide on-site day care
- Provide elder care assistance to employees’ elderly relatives

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35
