Motivation Concepts

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Chapter Learning Objectives

- After studying this chapter, you should be able to:
  - Describe the three elements of motivation.
  - Identify four early theories of motivation and evaluate their applicability today.
  - Apply the predictions of Cognitive Evaluation theory to intrinsic and extrinsic rewards.
  - Compare and contrast goal-setting theory and Management by Objectives.
  - Contrast reinforcement theory and goal-setting theory.
  - Demonstrate how organizational justice is a refinement of equity theory.
  - Apply the key tenets of expectancy theory to motivating employees.
  - Compare contemporary theories of motivation.
  - Explain to what degree motivation theories are culture-bound.

Defining Motivation

The result of the interaction between the individual and the situation.

- The processes that account for an individual's intensity, direction, and persistence of effort toward attaining a goal – specifically, an organizational goal

- Three key elements:
  - **Intensity** – how hard a person tries
  - **Direction** – effort that is channeled toward, and consistent with, organizational goals
  - **Persistence** – how long a person can maintain effort

Early Theories of Motivation

These early theories may not be valid, but they do form the basis for contemporary theories and are still used by practicing managers.

- Maslow's Hierarchy of Needs Theory
  - Alderfer's ERG (Existence, Relatedness, and Growth)
- McGregor's Theory X and
- Herzberg's Two-Factor Th
- McClelland's Theory of Ne

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Maslow's Hierarchy of Needs

There is a hierarchy of five needs. As each need is substantially satisfied, the next need becomes dominant.

Assumption

Higher Order Internal

Lower Order External

Self-Actualization

Esteem

Social

Safety

Physiological

- Individuals cannot move to the next higher level until all needs at the current (lower) level are satisfied
- Must move in hierarchical order

See E X H I B I T 6-1

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Alderfer's ERG Theory

A reworking of Maslow to fit empirical research.

- Three groups of core needs:
  - **Existence** (Maslow: physiological and safety)
  - **Relatedness** (Maslow: social and status)
  - **Growth** (Maslow: esteem and self-actualization)
- Removed the hierarchical assu
  - Can be motivated by all three a
- Popular, but not accurate, theory

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R G

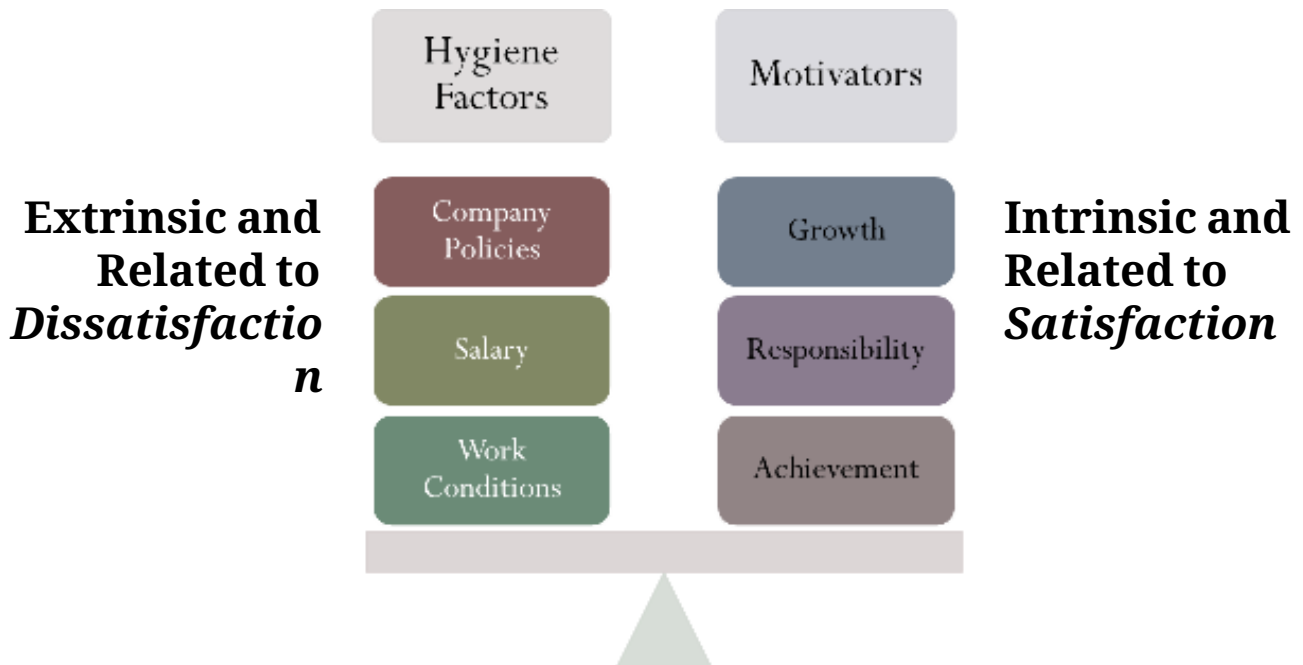# McGregor's Theory X and Theory Y

- Two distinct views of human beings: Theory X (basically negative) and Theory Y (positive).
  - Managers used a set of assumptions based

Theory X	Theory Y
• Workers have little ambition	• Workers are self-directed
• Dislike work	• Enjoy work
• Avoid responsibility	• Accept responsibility

- No empirical evidence to support this theory.

Herzberg's Two-Factor Theory

Key Point: Satisfaction and dissatisfaction are not opposites but separate constructs

Extrinsic and Related to *Dissatisfaction*

Hygiene Factors	Motivators
Company Policies	Growth
Salary	Responsibility
Work Conditions	Achievement

Intrinsic and Related to *Satisfaction*

See E X H I B I T S 6-2 and 6-3

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McClelland's Three Needs Theory

- Need for Achievement (nAch)
  - The drive to excel, to achieve in relation to a set of standards, to strive to succeed
- Need for Power (nPow)
  - The need to make others behave in a way that they would not have behaved otherwise
- Need for Affiliation (nAff)
  - The desire for friendly and close interpersonal relationships
- People have varying levels of each of the three needs.
  - Hard to measure

Performance Predictions for High nAch

- People with a high need for achievement are likely to:
  - Prefer to undertake activities with a 50/50 chance of success, avoiding very low- or high-risk situations
  - Be motivated in jobs that offer high degree of personal responsibility, feedback, and moderate risk
  - Need high level of nPow and low nAff for managerial success
- Good research support, but it is not a very practical theory

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Contemporary Theories of Motivation

- Cognitive Evaluation Theory
- Goal-Setting Theory
  - Management by Objectives (MBO)
- Self-Efficacy Theory
  - Also known as Social Cognitive Theory or Social Learning Theory
- Reinforcement Theory
- Equity Theory
- Expectancy Theory

Cognitive Evaluation Theory

Providing an extrinsic reward for behavior that had been previously only intrinsically rewarding tends to decrease the overall level of motivation

- Major Implications for work rewards
  - Intrinsic and extrinsic rewards are not independent
  - Extrinsic rewards decrease intrinsic rewards
  - Pay should be noncontingent on performance
  - Verbal rewards increase intrinsic motivation; tangible rewards reduce it
- Self-concordance
  - When the personal reasons for pursuing goals are consistent with personal interests and core values (intrinsic motivation), people are happier and more successful

See E X H I B I T 6-4

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Locke's Goal-Setting Theory

- Basic Premise:
  - That *specific* and *difficult* goals, with *self-generated feedback*, lead to higher performance
- Difficult Goals:
  - Focus and direct attention
  - Energize the person to work harder
  - Difficulty increases persistence
  - Force people to be more effective and efficient
- Relationship between goals and performance depends on:
  - Goal commitment (the more public the better!)
  - Task characteristics (simple, well-learned)
  - Culture

Implementation: Management by Objectives

- MBO is a systematic way to utilize goal-setting.
- Goals must be:
  - Tangible
  - Verifiable
  - Measurable
- Corporate goals are broken down into smaller, more specific goals at each level of organization.
- Four common ingredients to MBO programs:
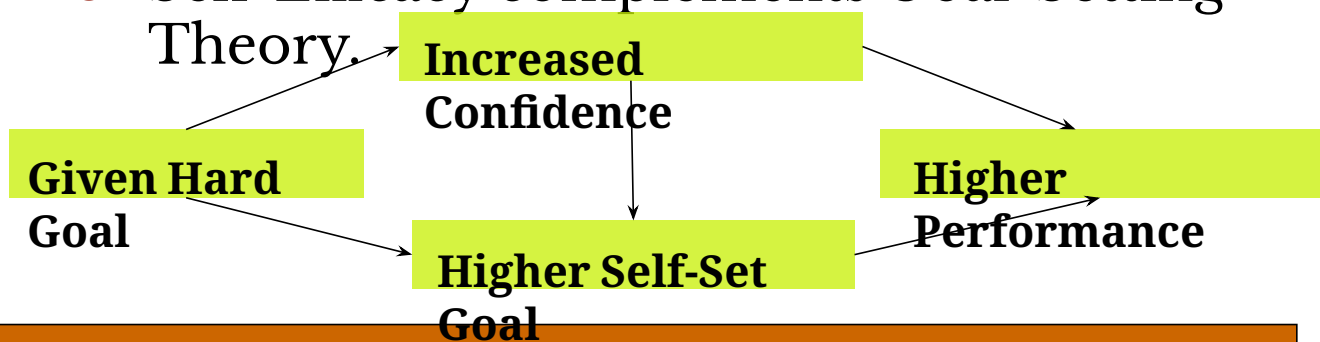 - Goal specificity
  - Participative decision making
  - Explicit time period
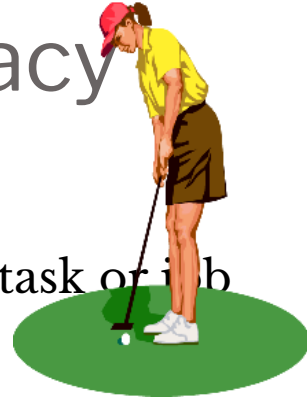 - Performance feedback

See E X H I B I T 6-5

Bandura's Self-Efficacy Theory

- An individual's belief that he or she is capable of performing a task.
  - Higher efficacy is related to:
    - Greater confidence
    - Greater persistence in the face of difficulties
    - Better response to negative feedback (work harder)
  - Self-Efficacy complements Goal-Setting Theory.

Given Hard Goal → **Increased Confidence** → **Higher Self-Set Goal** → **Higher Performance**

See E X H I B I T 6-6

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Increasing Self-Efficacy

- Enactive mastery
  - Most important source of efficacy
  - Gaining relevant experience with task or job
  - "Practice makes perfect"
- Vicarious modeling
  - Increasing confidence by watching others perform the task
  - Most effective when observer sees the model to be similar to him- or herself
- Verbal persuasion
  - Motivation through verbal conviction

- Arousal
  - Getting "psyched up" – emotionally aroused – to complete task
  - Can hurt performance if emotion is not a component of the task
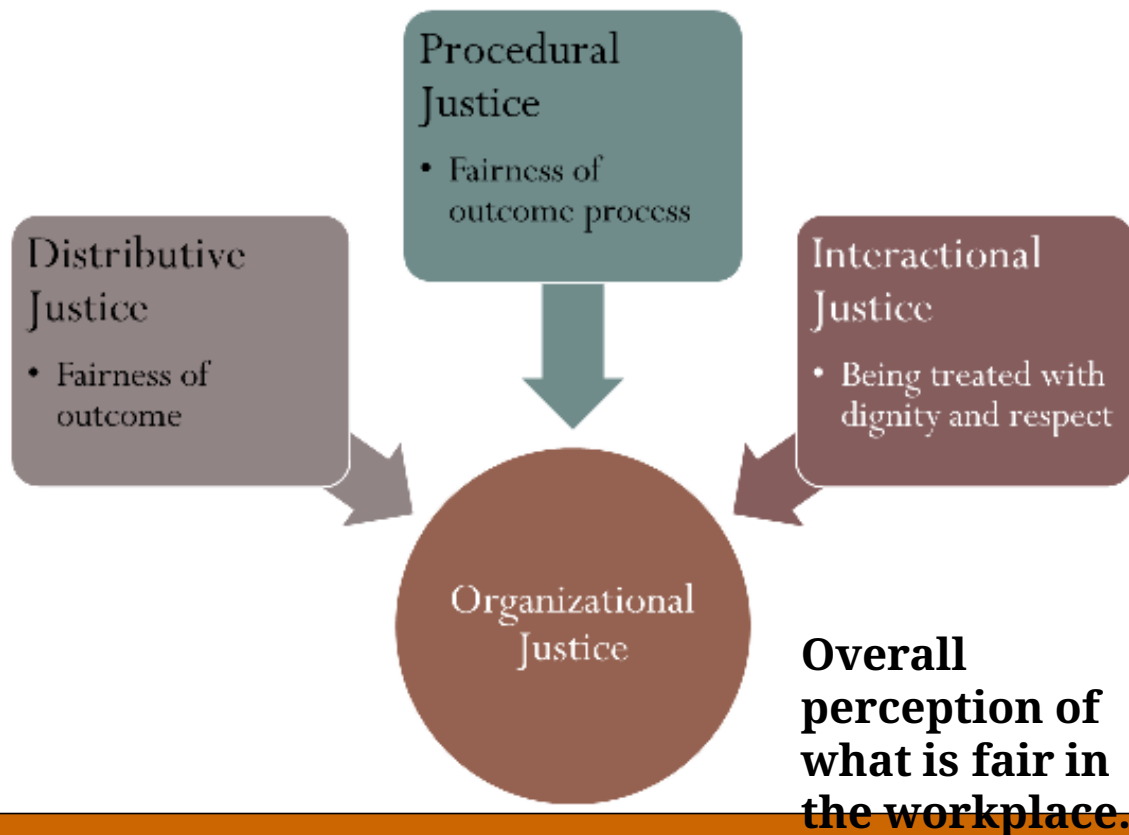
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Reinforcement Theory

- Similar to Goal-Setting Theory, but focused on a behavioral approach rather than a cognitive one.

  - Behavior is environmentally caused
    - Feelings, attitudes, and expectations are ignored
  - Behavior is controlled by its consequences – reinforcers
  - Is not a motivational theory but a means of analysis of behavior
  - Reinforcement strongly influences behavior but is not likely to be the sole cause

Justice and Equity Theory

Procedural Justice
- Fairness of outcome process

Distributive Justice
- Fairness of outcome

Interactional Justice
- Being treated with dignity and respect

Organizational Justice

Overall perception of what is fair in the workplace.

See E X H I B I T 6-8

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Vroom's Expectancy Theory

The strength of a tendency to act in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the ~~a~~ ~~s~~ ~~i~~

| Expectancy of performance success | Instrumentali ty of success in getting reward | Valuation of the reward in employee's eyes |

Individual effort → ① → Individual performance → ② → Organizational rewards → ③ → Personal goals

① Effort-performance relationship
② Performance-reward relationship
③ Rewards-personal goals relationship

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Global Implications

- Motivation theories are often culture-bound.
  - Maslow's Hierarchy of Needs Theory
    - Order of needs is not universal
  - McClelland's Three Needs Theory
    - nAch presupposes a willingness to accept risk and performance concerns – not universal traits
  - Adams' Equity Theory
    - A desire for equity is not universal
    - "Each according to his need" – socialist/former communists
- Desire for interesting work seems to be universal.
  - There is some evidence that the intrinsic factors of Herzberg's Two-Factor Theory may be universal

Summary and Managerial Implications

- Need Theories (Maslow, Alderfer, McClelland, Herzberg)
  - Well known, but not very good predictors of behavior
- Goal-Setting Theory
  - While limited in scope, good predictor
- Reinforcement Theory
  - Powerful predictor in many work areas
- Equity Theory
  - Best known for research in organizational justice
- Expectancy Theory
  - Good predictor of performance variables but shares many of the assumptions as rational decision making