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**DT 354 Organisational Behaviour - Statement of Originality**

**Topic Title Motivation Assignment**

**Submission Date 07/12/2018 – Extension**

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###### *Declaration of Originality;*

**We** hereby certify that this material, which **we** now submit for assessment on the Organisational Behaviour module for DT 354 is entirely **our** own work, except where fully and properly referenced. **We** certify that it has not been submitted in whole or in part for assessment for any academic purpose other than in partial fulfilment for that stated above.

In addition, **we** certify that the soft copy version which has been uploaded onto Safe Assign is the exact same as the Hard copy version submitted.

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***Executive Summary***

This report will provide an analysis and evaluation of the current issues facing the workforce of Hyland Ltd.

The report will identify and detail motivational issues which are currently present within the company. An outline of these issues will be presented followed by recommendations to correct the issues raised.

Moving on, the report will examine two individual employees as requested. An analysis of their respective circumstances will be detailed and solutions will be presented in order to suit both the company and the individual’s needs.

Finally the report will conclude with recommendations based on the information gathered and provided in the above sections.

**Introduction/Background**

Hyland Ltd. is a successful MNC with a strong corporate reputation. However, they are struggling to compete in their respective highly competitive market and their recent product’s poor performance is directly impacting on their employees.

They have downsized in order to try and regain their market competiveness with a significant reduction in staff numbers. This in turn has created issues for current staff members as they now find themselves in more demanding roles with increased workloads, expectations and pressure.

The situation has led to a loss in motivation and caused uncertainty amongst staff which in turn is hinders team work, individual roles and overall relations between management and lower levels of staff. Employees are losing their respective hierarchical and esteem needs ***(Maslow, 1943)*** and fear they are at risk of being made redundant forcing some staff to work harder than others. This can be attributed to operant conditioning ***(Skinner, B. F. 1938)*** where staff are reacting to the current climate within the company and feel they are assessed on their behavior.

From reviewing the current problems at Hyland, it is clear that the company are failing to maintain and motivate their employees.

***Overall Strategy***

Overview

Hyland limited is aiming to become a more ‘lean’ organization which is a **business strategy** striving to eliminate waste in product and processes while satisfying customer needs. The company is undergoing significant restructuring in order to achieve this. It created worry amongst staff especially line managers who fear that they will not keep up. It is essential that staff needs are met and that management creates an environment that reduces stress and encourages staff to perform efficiently the best that they can.

Motivation

It appears that three of the primary needs of workers is at risk, esteem, safety and self-actualization (**Maslow's hierarchal need theory 1943**). Changes have negatively impacted workers self-esteem, they find it difficult to adjust. Job security is compromised as employees risk redundancy if they fail to meet expectations. Maslow states, those who achieve self-actualization desire more internally than settle for the work they are doing. This encourages motivation as employees will try better themselves. Employees need to feel a sense of belonging but also that they are making a worthwhile contribution. There should always be potential for growth and future opportunities in the company (**ERG theory Alderfer 1972**). Changes in policy and atmosphere could have a substantial effect on employee satisfaction. Employees who previously felt comfortable and performed at an optimal work rate may become distressed.

The motivator-hygiene theory (**Herzberg**) outlines two primary aspects that effect motivation, Hygiene factors and motivators. Hygiene factors involve the general atmosphere and content of work. It is affected by company policy, salary, interpersonal relationships and work conditions. A company with positive hygiene factors ensures satisfaction and once an employee has sufficient hygiene satisfaction, they may add motivators. Motivators are factors mostly relating to an employee's career. To achieve motivator satisfaction Hyland must ensure their employees have job security, opportunities and responsibility.

Motivators prevent work from becoming discouraging or monotonous. Hyland must ensure employees retain any opportunities and progress they have made within the company. If roles are to change, satisfaction must be maintained for staff. If an employee is left in a less secure or stable position than before this will fail to increase motivation and will effect morale of other employees. It is important that all employees in the organisation benefit from the changes universally in the company.

Stress

### Organizational changes can be very stressful situations. “Stress Results from change, people have deep attachments to their work groups, organizational structures, personal responsibilities, and ways of accomplishing work” (**M. Heathfield 2018**) As we have already seen, employees have lost trust in one another, have become worried,doubtful and are most importantly losing motivation. Although stress goes beyond just motivation, it could have detrimental effects to both the company and employees. Excess stress prevents employees from working to the best of their ability. Often they become ill, possibly make more mistakes and may suffer from many health complications in the long term. The biggest type of stress that Hyland needs to manage is going to be work intensification.

As employee roles broaden with a leaner approach, management’s expectations may increase causing stress. Employees may overcompensate because they feel they have to work harder rather than because they want to. Feelings of incompetency and inadequacy can arise if they cannot meet expectations of not only of themselves but management also. Intensification has become the norm for many businesses but has been proven to not improve production. The structural change has been an increasingly stressful experience for staff. Reducing numbers may not remove waste but create excess work, pressure and expectations for remaining employees (**Downsizing Survivor Syndrome, Noer 1993**). Rapid and widespread change will have an impact on trust, primarily between employees and management. Employees might feel that HR or management do not represent their interests and care little about their staff. Trust has been shown to influence higher levels of co-operation (**Morgan & Hunt, 2004**) and superior levels of performance (**Dirks 2000**). A lack of trust will make employees unresponsive, dissatisfied, and create communication issues. Stress is a natural part of work and life generally, but it is important that it is managed and controlled. In some cases, stress works alongside motivation, in other cases it is harmful and leads to a lack of motivation, it's important that a work-life balance exists for the employees of Hyland ltd.

Strategy

Hyland ltd needs to assess staff needs and motivation. In this case it’s clear to see those affected by the ‘lean’ policy will need urgent reassurance and help. Hyland must make restructuring as compatible and welcoming as possible. It is important that all departments are connected and well informed about changes and developments in the company. Connectivity is very important, having good relationships with employees will benefit Hyland significantly. It's important to “take the time to discover or rediscover them as people rather than simply employees. Take an interest in their lives and them” (**Donaldson, InsideHR , 2014**).

Developing goals and strategies ensures clear and precise ideas of roles and responsibilities for employees. This is very effective way of promoting motivation amongst teams. It also allows management to translate work performance and progress into feedback to further motivate employees. As well as improving motivation Hyland must control stress in the organization. Ensuring employees of their position and importance, communicating effectively, acknowledging hard work, good performance and also creating a positive atmosphere. Employees need to be reminded that they belong in the company and that they are not at risk. It is essential that employees are constantly stimulated and challenged, not to the point of exhaustion but rather that employees of Hyland ltd feel that they have achieved their goal, self-actualized and are hungry for the next obstacle.

***Individual Profiles***

Employee 1 - John

John is discontent with extra responsibilities being imposed upon him. The Equity theory***(Adams, 1965)*** summarises that a person is motivated to achieve a fair balance between their work inputs and their work outputs.

He is expressing an air of unfairness in his situation whereby his role has ‘drastically’ changed with added responsibilities and requirements of learning and developing new procedures and skills. He believes it’s not worth his while to carry out his newly expanded role. From his perspective there is an equity imbalance that exists whereby extra work and pressure reaps no reward. Thus his work inputs will not match his outputs.

His attitude may be attributed to past experience within the company as he is a well-established employee. This has been referred to as “hedonism of the past” by ***Allport (1954*)**, where experiences or previous actions that followed with positive outcomes would influence repetition of those actions and oppositely past actions which led to negative outcomes would not be repeated.

In alignment *to* ***Vroom’s expectancy theory (Vroom, 1964*)** John’s decision of how much effort to exert is a reflection of his motivation. In Vrooms theory, two functions of motivation play a part in John’s situation **1) *Instrumentality*** – expecting to be rewarded if the roll is performed well. **2) *Valence*** - if the rewards for successful performance are attractive or a factor. It is evident that John has a negative perception of his new roles and responsibilities as the extra work load does not reflect or meet his expectations in terms of reward, satisfaction, comparable worth or output. ***(Wright and Cropanzano, 1998)***

It is also worth noting that he has served the company for 25 years and held the position of team leader for 10 years. This possibly signals his content in remaining at this level as his hierarchical base needs are being met ***(Hierarchical Need Theory, Maslow, 1943)*.** John is trying to reduce his feeling of inequity within the role.

Employee 2 – Michael

Michael is described as an enthusiastic and dedicated worker. This reflects in Hyland’s decision to place him in charge of running his department. He worries about his inabilities to take up leadership and guide his department forward. This in turn may lead to effects on his feeling of self-efficacy ***(Bandura, 1982****).*

Bandura relates as to how self-efficacy can be” influenced and developed, and how it positively effects all facets of human experience”. The stress and worries Michael is experiencing may have an effect on the quality of his work and his overall performance, this is outlined by ‘Social Cognitive Theory ***(Stajkovic and Luthens, 1998 & McIntire & Levine, 1991). Bandura (1982)*** suggests a belief in ones self-efficacy increases motivation. Similarly this is supported by the ‘Galatea effect’ where an individual's opinion on their “ability and self-expectations about performance largely determine their performance” ***(Eden & Sulimani 2002).***

Another factor to take into consideration when examining Michael’s case is work intensification. Working hard is composed of a “time component and an intensity perspective” ***(Burke, Singh & Fiksenbaum, 2010)***. From the brief it is noticeable that Michael’s workload has significantly increased due to not only being given responsibility of running his department but as well as a significant reduction in staff (60%). This in turn is having implications on Michael and the high-involvement work system he has been placed in.

Hyland must ask what the consequences of Michael’s new role are and has this been communicated effectively? Robert Karasek released his assessment on stress in relation to work intensity and health in the workplace. He suggests that a high strain job consisting of high demands and low control of a position can lead to an increased risk of health issues ***(Demand Control Model – Karasek, 1979)***. Michael may also be experiencing emotional exhaustion, a feeling of being emotionally overstretched and tired stemming from his work and the current situation with downsizing at the company.

If Michael is continuously exposed to the growing levels of stress and continues to find his performance inadequate or below that of what is expected from him, this may impact on his overall confidence and health (mental health, burnout, work – life balance etc.) ***Green (2004A)*** deduced that an employee’s productivity and a company’s economic profitability would increase via intensification of work. In contradiction ***Wood, Van Veldohoven, Croon and de Menezes (2012)*** portrayed that work intensification leads to negative outcomes due to increasing work demands and high pressure.

***Recommendations***

John

Both employees display opposite motivational factors and issues. In the case of John he is extrinsically motivated while Michael is intrinsically motivated.

While examining John’s situation Hyland must consider his point of view that at his career stage, learning and fulfilling a broader role is inconvenient. It is important to realise john’s feelings of demotivation. A way to rebuild John’s engagement with his role could be re-motivating him. Small acknowledgements of his work may validate his contribution largely. An article from the Harvard Gazzette suggests that a small thank you can increase motivation levels (***Chuck Leddy, 2013***).

A second possible solution could be the use of incentives. While adding additional responsibilities to John’s roles it’s apparently clear he does not feel they are worth undertaking, hence his extrinsically motivated perception. A process to incentivise John may be a good starting point with performance based rewards or a possible increase in compensation in the form of holidays or monetary value. However there can also be a downside to this as experimental evidences suggests that “extrinsic motivations can conflict “with an individual’s devotion to carry out a task for its own sake ***(The Review of Economic Studies, 2003).***

If this option is put in practice it can be reinforced with the previously suggested solution of motivating John as well as incentivising his work. This may be an attractive proposal worth consideration. There are two methods to employ this process ***(Scott, 2004)*** phased retirement (reduced hours of work within the same role) or partial retirement (move to a position with less demands, fewer hours). This can possibly reduce stress and raise job satisfaction***(Ready-Mulvey, 2000).***

A final possible solution would be proposing a gradual retirement process and equal distribution of the new responsibilities which john has refused.

This can benefit Hyland not only in being able to retain John with his vast years of experience, knowledge and skills, but can also be a cost effective measure going forward as john will be transitioning from full time to gradually reducing his hours. The key findings in a recent research article on employer experiences of training, retention and recruiting of older workers suggested employers value benefits of older workforce members, they have described them a loyal committed and reliable while also adding valuable life and business experience to their company. Another interesting finding is that a flexible work policy is seen to be an effective method of meeting older worker’s needs ***(Lorna Adams, Mark Winterbotham, Siv Svanaes, Christabel Downing, 2017).***

Michael

In Michael’s case Hyland must increase Michael’s self-efficacy by communicating clearly and effectively with him. Define his role and what is expected of him. Define the nature and duration of the period he is responsible for. Assure that both parties understand this. It may also be beneficial to help him develop a sense of mastery in completing or accomplishing tasks ***(Wood & Bandura, 1989).***A sense of accomplishment can build confidence. “Increased self-satisfaction arises from achieving the difficult rather than the easy” ***(Bandura, 1997).***

Michael needs verbal or social persuasion ***(Wood & Bandura, 1989)*** in being supported and made aware that Hyland believe in his capabilities while not being unrealistic in their approach. This can also be achieved by “recognising continued improvements in performance, not just accreditation” *(****Marty Fukuda, 2017)***. Offer feedback to Michael so he can assess and modify his practices if required.

Another option available to highland is to integrate Michael with enthusiastic and motivated peers with similar work loads. This can benefit Michael’s perception of being able to achieve and accomplish tasks in a productive environment.

Finally the company should not expect overnight success as Michael is still finding his feet, instead mentoring and providing support (mental, social, job training) would be hugely beneficial and should be prioritised for Michael to be given access to these resources. ***(Eden, D., & Aviram, A., 1993)***

**Conclusions**

The motivational issues examined in this report will take time and a combined effort to reinstall confidence, from not only management but also Hyland’s current workforce. Both parties will need to be transparent and communicate effectively in order to rebuild trust, stability and begin to create a healthy work environment for staff. Hyland Ltd need to adopt an enthusiastic approach when motivating employees to promote confidence so the business moves forward internally and competitively.

In conjunction with this, Hyland Ltd must supply training and apply goal setting for staff to build a sense of achievement, team work and promote confidence. Providing a platform to provide feedback is vital to employees and recognition of improvements will boost morale.

In regards to John and Michael, their situations differ greatly. Hyland must reconnect with John by reinvigorating his motivation and self-efficacy levels, possibly with the use of incentives. While the outcome of this scenario may not be successful, gradual retirement may be an option to consider for the future and may prove to benefit both John and Hyland Ltd.

Michael should be given the tools to succeed within his new role in terms of training, support and mentoring as he lacks self-belief. Hyland need to communicate more effectively, defining expectations and requirements. Providing continuous feedback where applicable can help Michael’s learning while setting goals and structuring his work can achieve a sense of mastery.

To conclude Hyland have many internal issues which need to be addressed in order for the company to regain their competitiveness in today’s market. We strongly recommend the solutions provided in order to re-establish trust, motivation and a positive work environment. These issues can be resolved in good time with understanding of requirements and taking positive action. Failure to combat these issues may lead to further decreases in staff motivation levels, poor universal employee performance and stagnation of the company as it will not regain the competitive edge it set out to achieve.

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Successful goal completion requires that employees have flexibility in how goals are pursued (Locke & Latham, 1990)

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