

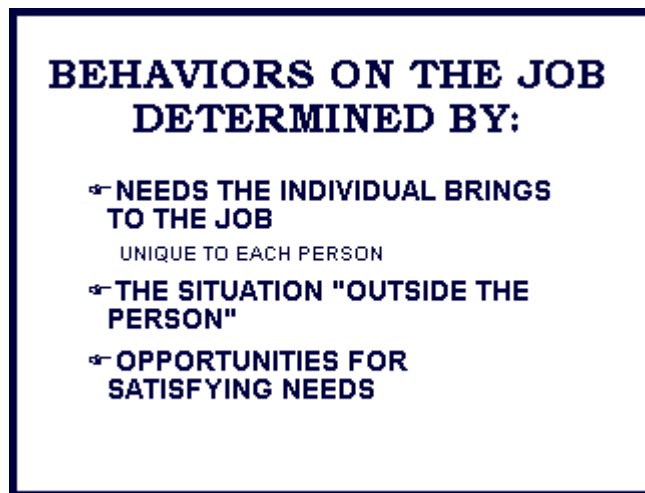
Lesson:-20

MOTIVATION & ITS THEORIES

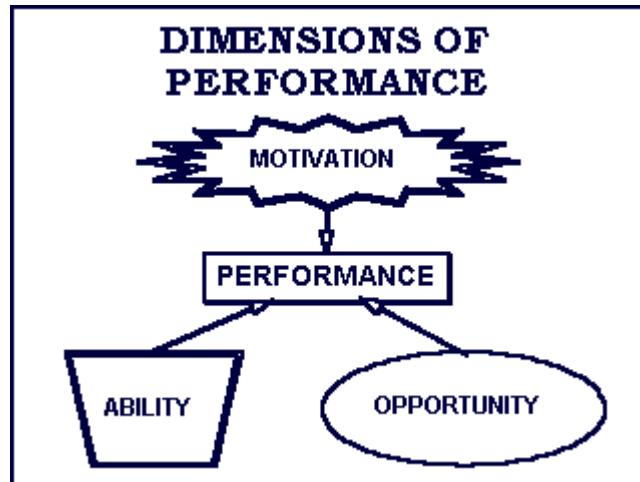
Welcome to today's lesson on motivation. We have appreciated earlier the importance of motivation in determining human behaviour . In today's module we will review the concept of motivation and various theories of motivation.

Motivation is a process that starts with a physiological or psychological need that activates a behavior or a drive that is aimed at a goal.

Every employee is expected to show increased and qualitative productivity by the manager. To achieve this the behavior of the employee is very important. The behavior of the employees is influenced by the environment in which they find themselves. Finally, an employee's behavior will be a function of that employee's innate drives or felt needs and the opportunities he or she has to satisfy those drives or needs in the workplace



If employees are never given opportunities to utilize all of their skills, then the employer may never have the benefit of their total performance. Work performance is also contingent upon employee abilities. If employees lack the learned skills or innate talents to do a particular job, then performance will be less than optimal. A third dimension of performance is motivation.



“Motivation is the act of stimulating someone or oneself to get desired course of action, to push right button to get desired reactions.”

The following are the features of motivation :

- Motivation is an act of managers
- Motivation is a continuous process
- Motivation can be positive or negative
- Motivation is goal oriented
- Motivation is complex in nature
- Motivation is an art
- Motivation is system-oriented
- Motivation is different from job satisfaction
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MOTIVATIONAL FACTORS

There are several factors that motivate a person to work. The motivational factors can be broadly divided into two groups:

I. MONETARY FACTORS:

❖ Salaries or wages:

Salaries or wages is one of the most important motivational factors. Reasonable salaries must be paid on time. While fixing salaries the organization must consider such as :

- Cost of living
- Company ability to pay
- Capability of company to pay etc,

❖ Bonus:

It refers to extra payment to employee over and above salary given as an incentive. The employees must be given adequate rate of bonus.

- ❖ Incentives:
The organization may also provide additional incentives such as medical allowance, educational allowance, hra ,allowance, etc.
- ❖ Special individual incentives:
The company may provide special individual incentives. Such incentives are to be given to deserving employees for giving valuable suggestions.

II. NON MONETARY FACTORS:

- ❖ Status or job title:
By providing a higher status or designations the employee must be motivated. Employees prefer and proud of higher designations.
- ❖ Appreciation and recognition:
Employees must be appreciated for their services. The praise should not come from immediate superior but also from higher authorities.
- ❖ Delegation of authority:
Delegation of authority motivates a subordinate to perform the tasks with dedication and commitment. When authority is delegated, the subordinate knows that his superior has placed faith and trust in him.
- ❖ Working conditions :
Provision for better working conditions such as air-conditioned rooms, proper plant layout, proper sanitation, equipment, machines etc, motivates the employees.
- ❖ Job security:
Guarantee of job security or lack of fear dismissal, etc can also be a good way to motivate the employees. Employees who are kept temporarily for a long time may be frustrated and may leave the organization.
- ❖ Job enrichment:
Job enrichment involves more challenging tasks and responsibilities. For instance an executive who is involved in preparing and presenting reports of performance, may also asked to frame plans.
- ❖ Workers participation:
Inviting the employee to be a member of quality circle, or a committee, or some other form of employee participation can also motivate the work-force.
- ❖ Cordial relations: Good and healthy relations must exist throughout the organization. This would definitely motivates the employees.

- ❖ Good superiors: Subordinates want their superiors to be intelligent, experienced, matured, and having a good personality. In fact, the superior needs to have superior knowledge and skills than that of his subordinates. The very presence of superiors can motivate the subordinates.
- ❖ Other factors:
There are several other factors of motivating the employees:
 - Providing training to the employees.
 - Proper job placements.
 - Proper promotions and transfers.
 - Proper performance feed back.
 - Proper welfare facilities.
 - Flexible working hours.

Need and importance of motivation

Motivation offers several importance to the organization and to the employees:

- ❖ Higher efficiency
- ❖ Reduce absenteeism.
- ❖ Reduces employee turn over.
- ❖ Improves a corporate image.
- ❖ Good relations.
- ❖ Improved morale.
- ❖ Reduced wastages and breakages.
- ❖ Reduced accidents.
- ❖ Facilitates initiative and innovation.

Money as a motivator

It is normally believed that money acts as a motivator. In general the role of money as a motivator depends upon certain factors:

- ❖ Money fails to motivate people, when there is no direct relationship between reward and effort.
- ❖ Economic conditions of people influence the Importance of money. For poor person, the value of certain amount of money is quite high as compared to rich.

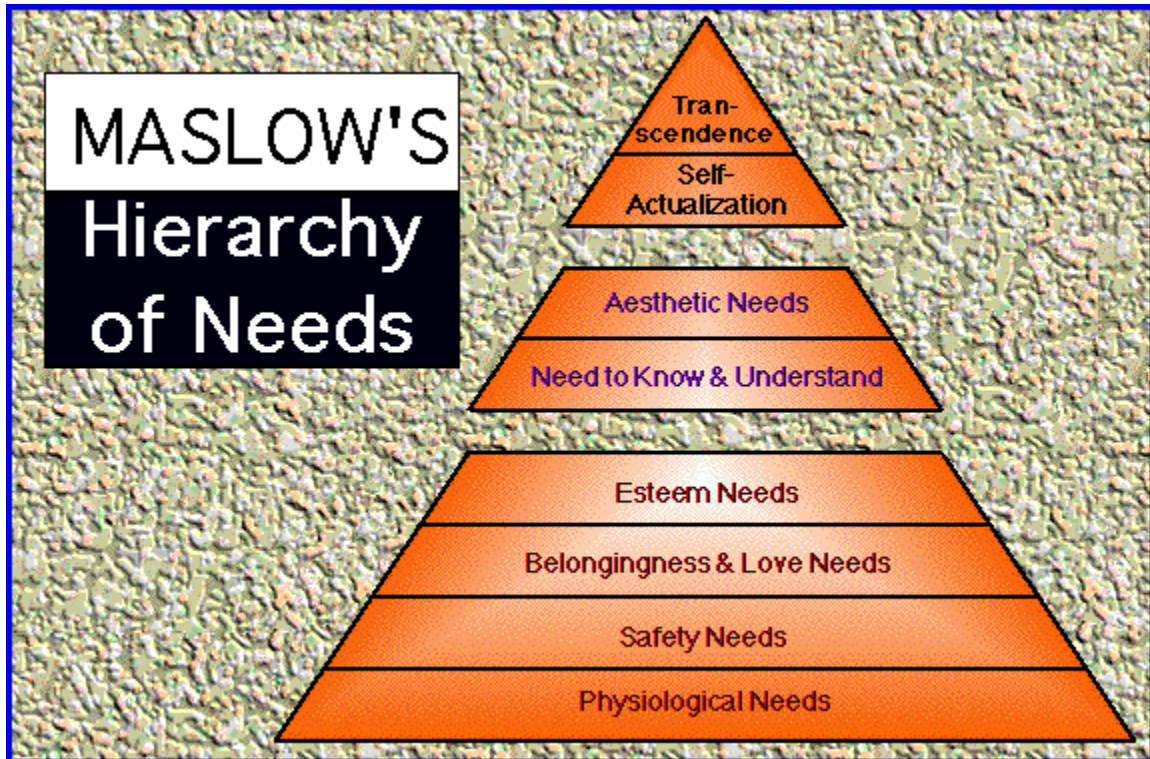
- ❖ Money is a significant motivator at lower level of employees level however money may not be a significant factor for senior executives who have already fulfilled their lower level needs.
- ❖ Employees are concerned not only with the amount of money paid to them, but it should be fair and equitable as paid to that of other employees of same level or status.
- ❖ Social attitudes towards money and wealth also decides the motivation to earn more and more.

Motivational Theories:

Maslow's-Hierarchy of Needs Theory: This theory was proposed by Abraham Maslow and is based on the assumption that people are motivated by a series of five universal needs. These needs are ranked, according to the order in which they influence human behavior, in hierarchical fashion

- **Physiological needs** are deemed to be the lowest- level needs. These needs include the needs such as food & water .
 - *So long as physiological needs are unsatisfied, they exist as a driving or motivating force in a person's life. A hungry person has a felt need. This felt need sets up both psychological and physical tensions that manifest themselves in overt behaviors directed at reducing those tensions (getting something to eat). Once the hunger is sated, the tension is reduced, and the need for food ceases to motivate. At this point (assuming that other physiological requirements are also satisfied) the next higher order need becomes the motivating need.*
- Thus, **safety needs** -- the needs for shelter and security -- become the motivators of human behavior.
 - *Safety needs include a desire for security, stability, dependency, protection, freedom from fear and anxiety, and a need for structure, order, and law.. In the workplace this needs translates into a need for at least a minimal degree of employment security; the knowledge that we cannot be fired on a whim and that appropriate levels of effort and productivity will ensure continued employment.*
- **Social needs** include the need for belongingness and love.
 - *Generally, as gregarious creatures, human have a need to belong. In the workplace, this need may be satisfied by an ability to interact with one's coworkers and perhaps to be able to work collaboratively with these colleagues.*
- After social needs have been satisfied, **ego and esteem needs** become the motivating needs.
 - *Esteem needs include the desire for self-respect, self-esteem, and the esteem of others. When focused externally, these needs also include the desire for reputation, prestige, status, fame, glory, dominance, recognition, attention, importance, and appreciation.*

- The highest need in Maslow's hierarchy is that of **self-actualization**; the need for self-realization, continuous self-development, and the process of becoming all that a person is capable of becoming.



Alderfer's Hierarchy of Motivational Needs : Clayton Alderfer reworked Maslow's Need Hierarchy to align it more closely with empirical research. Alderfer's theory is called the **ERG theory** -- **E**xistence, **R**elatedness, and **G**rowth.

- Existence refers to our concern with basic material existence requirements; what Maslow called physiological and safety needs.
- Relatedness refers to the desire we have for maintaining interpersonal relationships; similar to Maslow's social/love need, and the external component of his esteem need.
- Growth refers to an intrinsic desire for personal development; the intrinsic component of Maslow's esteem need, and self-actualization

Alderfer's ERG theory differs from Maslow's Need Hierarchy insofar as ERG theory demonstrates that **more than one need may be operative at the same time**. ERG theory **does not assume a rigid hierarchy** where a lower need must be substantially satisfied before one can move on.

Alderfer also deals with **frustration-regression**. That is, **if a higher-order need is frustrated**, an individual then seeks to increase the satisfaction of a lower-order need.

According to Maslow an individual would stay at a certain need level until that need was satisfied. ERG theory counters by noting that when a higher- order need level is frustrated the individual's desire to increase a lower- level need takes place. Inability to satisfy a need for social interaction, for instance, might increase the desire for more money or better working conditions. So frustration can lead to a regression to a lower need.

In summary, ERG theory argues, like Maslow, that satisfied lower- order needs lead to the desire to satisfy higher-order needs; but multiple needs can be operating as motivators at the same time, and frustration in attempting to satisfy a higher- level need can result in regression to a lower- level need.

Alderfer's Hierarchy of Motivational Needs

Level of Need	Definition	Properties
Growth	Impel a person to make creative or productive effects on himself and his environment	Satisfied through using capabilities in engaging problems; creates a greater sense of wholeness and fullness as a human being
Relatedness	Involve relationships with significant others	Satisfied by mutually sharing thoughts and feelings; acceptance, confirmation, understanding, and influence are elements
Existence	Includes all of the various forms of material and psychological desires	When divided among people one person's gain is another's loss if resources are limited

A Reorganization of Maslow's and Alderfer's Hierarchies

Level	Introversion	Extroversion
Growth	Self-Actualization (development of <u>competencies</u> [knowledge, attitudes, and skills] and <u>character</u>)	<u>Transcendence</u> (assisting in the development of others' competencies and character; <u>relationships to the unknown, unknowable</u>)
Other (Relatedness)	Personal identification with group, significant others (Belongingness)	Value of person by group (Esteem)
Self (Existence)	Physiological, biological (including basic emotional needs)	Connectedness, security

Two-factor Theory: Herzberg's Two Factor Theory, also known as the **Motivation-Hygiene Theory**, was derived from a study designed to test the concept that people have two sets of needs:

1. their needs as animals to avoid pain
2. their needs as humans to grow psychologically

Herzberg' study

Herzberg's study consisted of a series of interviews that sought to elicit responses to the questions:

(1) Recall a time when you felt exceptionally good about your job. Why did you feel that way about the job? Did this feeling affect your job performance in any way? Did this feeling have an impact on your personal relationships or your well- being?

(2) Recall a time on the job that resulted in negative feelings? Describe the sequence of events that resulted in these negative feelings.

Research Results : it appeared from the research, that the things making people happy on the job and those making them unhappy had **two separate themes**.

1)SATISFACTION (MOTIVATION): Five factors stood out as strong determiners of **job satisfaction**:

- achievement
- recognition
- work itself
- responsibility
- advancement

The last three factors were found to be most important for bringing about lasting changes of attitude. It should be noted, that recognition refers to recognition for achievement as opposed to recognition in the human relations sense.

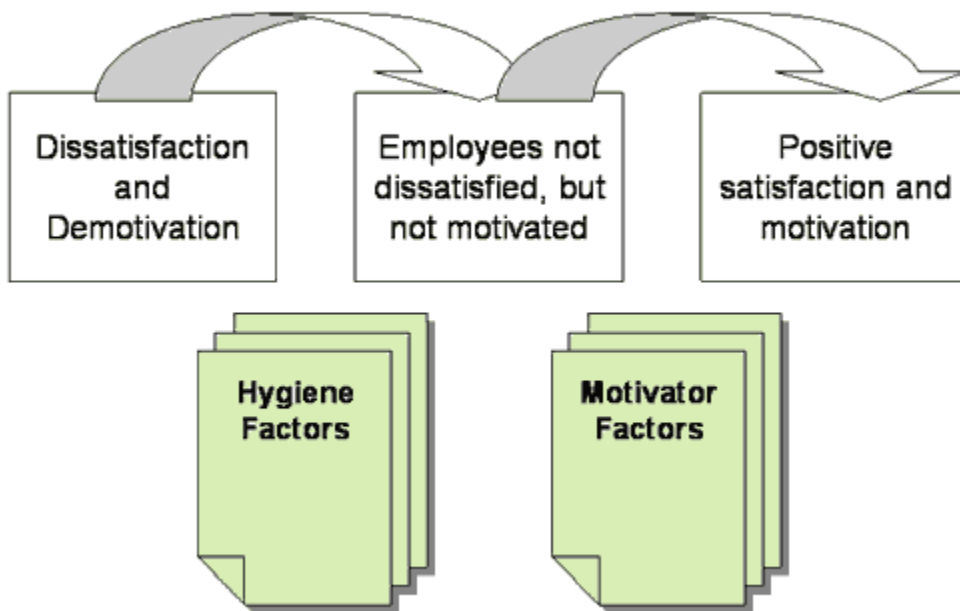
2)DISSATISFACTION (HYGIENE): The determinants of job **dissatisfaction** were found to be:

- company policy
- administrative policies
- supervision
- salary
- interpersonal relations
- working conditions

From the results Herzberg concluded that the replies people gave when they felt good about their jobs were significantly different from the replies given when they felt bad. Certain characteristics tend to be consistently related to job satisfaction and others to job dissatisfaction. Intrinsic factors, such as work itself, responsibility and achievement seem to be related to job satisfaction. Respondents who felt good about their work tended to attribute these factors to themselves. On the other dissatisfied respondents tended to cite extrinsic factors such as supervision, pay, company policies and working condition. Herzberg proposed that his findings indicated the existence of a dual continuum: the opposite of “satisfaction” is “No satisfaction” and the opposite of “Dissatisfaction” is “No Dissatisfaction.

According to Herzberg, the factors leading to Job satisfaction are separate and distinct from those that lead to job dissatisfaction. Therefore, managers who seek to eliminate factors that can create job dissatisfaction may bring about peace but not necessarily motivation. They will be placating their workforce rather than motivating them. As a result, conditions surrounding the job such as quality of supervision, pay, company policies, physical working conditions relations with others and job security were characterized by Herzberg as hygiene factors, when they're adequate, people will not be dissatisfied; neither will they be satisfied. If

we want to motivate people on their jobs, Herzberg suggested emphasizing factors associated with the work itself or to outcomes directly derived from it, such as promotional opportunities, opportunities for personal growth, recognition, responsibility and achievement. These are the characteristics that people find intrinsically rewarding.



Expectancy Theory

In recent years, probably the most popular motivational theory has been the **Expectancy Theory** (also known as the Valence-Instrumentality- Expectancy Theory). Although there are a number of theories found with this general title, they all have their roots in **Victor Vroom's** 1964 work on motivation.

ALTERNATIVES AND CHOICES:

Vroom's theory assumes that behavior results from conscious choices among alternatives whose purpose it is to **maximize pleasure** and **minimize pain**. The key elements to this theory are referred to as **Expectancy (E)**, **Instrumentality (I)**, and **Valence (V)**. Critical to the understanding of the theory is the understanding that each of these factors represents a belief.

Vroom's theory suggests that the individual will consider the outcomes associated with various levels of performance (from an entire spectrum of performance possibilities), and elect to pursue the level that generates the greatest reward for him or her.

Expectancy: "What's the probability that, if I work very hard, I'll be able to do a good job?"

Expectancy refers to the strength of a person's belief about whether or not a particular job performance is attainable. Assuming all other things are equal, an employee will be motivated to try a task, if he or she believes that it can be done. This expectancy of performance may be thought of in terms of probabilities ranging from zero (a case of "I can't do it!") to 1.0 ("I have no doubt whatsoever that I can do this job!")

A number of factors can contribute to an employee's expectancy perceptions:

- the level of confidence in the skills required for the task
- the amount of support that may be expected from superiors and subordinates
- the quality of the materials and equipment
- the availability of pertinent information

Previous success at the task has also been shown to strengthen expectancy beliefs.

Instrumentality: "What's the probability that, if I do a good job, that there will be some kind of outcome in it for me?"

If an employee believes that a high level of performance will be instrumental for the acquisition of outcomes which may be gratifying, then the employee will place a high value on performing well. Vroom defines **Instrumentality as a probability belief**

linking one outcome (a high level of performance, for example) to another outcome (a reward).

Instrumentality may range from a probability of 1.0 (meaning that the attainment of the second outcome -- the reward -- is certain if the first outcome -- excellent job performance -- is attained) through zero (meaning there is no likely relationship between the first outcome and the second). An example of zero instrumentality would be exam grades that were distributed randomly (as opposed to be awarded on the basis of excellent exam performance). Commission pay schemes are designed to make employees perceive that performance is positively instrumental for the acquisition of money.

For management to ensure high levels of performance, it must tie desired outcomes (positive valence) to high performance, and ensure that the connection is communicated to employees.

The VIE theory holds that people have preferences among various outcomes. These preferences tend to reflect a person's underlying need state.

Valence: "Is the outcome I get of any value to me?"

The term **Valence** refers to the emotional orientations people hold with respect to **outcomes (rewards)**. An outcome is positively valent if an employee would prefer having it to not having it. An outcome that the employee would rather avoid (fatigue, stress, noise, layoffs) is negatively valent. Outcomes towards which the employee appears indifferent are said to have zero valence.

Valences refer to the level of satisfaction people expect to get from the outcome (as opposed to the actual satisfaction they get once they have attained the reward).

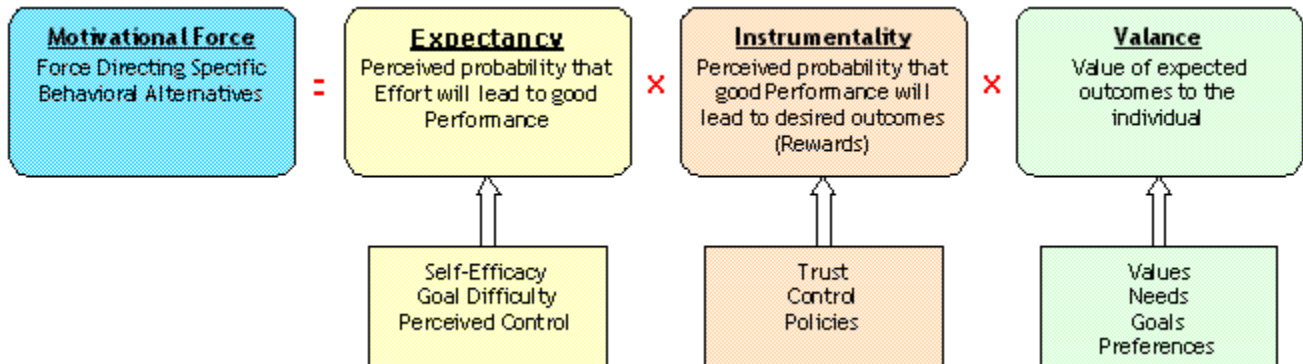
Vroom suggests that an employee's beliefs about Expectancy, Instrumentality, and Valence interact psychologically to create a motivational force such that the employee acts in ways that bring pleasure and avoid pain.

People elect to pursue levels of job performance that they believe will maximize their overall best interests (their subjective expected utility).`

There will be **no** motivational forces acting on an employee if any of these three conditions hold:

- (1) the person does not believe that he/she can successfully perform the required task
- (2) the person believes that successful task performance will not be associated with positively valent outcomes
- (3) the person believes that outcomes associated with successful task completion will be negatively valent (have no value for that person)

$$MF = \text{Expectancy} \times \text{Instrumentality} \times \text{Valance}$$



McClelland's Theory of Needs: According to David McClelland, regardless of culture or gender, people are driven by three motives:

- achievement,
- affiliation, and
- influence.

Since McClelland's first experiments, over 1,000 studies relevant to achievement motivation have been conducted. These studies strongly support the theory.

- **Achievement** : The need for achievement is characterized by the wish to take responsibility for finding solutions to problems, master complex tasks, set goals, get feedback on level of success.
- **Affiliation** : The need for affiliation is characterized by a desire to belong, an enjoyment of teamwork, a concern about interpersonal relationships, and a need to reduce uncertainty.
- **Power** :The need for power is characterized by a drive to control and influence others, a need to win arguments, a need to persuade and prevail

According to McClelland, the presence of these motives or drives in an individual indicates a predisposition to behave in certain ways. Therefore, from a manager's perspective, recognizing which need is dominant in any particular individual affects the way in which that person can be motivated.

Summary: People with achievement motives are motivated by standards of excellence, delineated roles and responsibilities and concrete, timely feedback. Those with affiliation motives are motivated when they can accomplish things with people they know and trust. And the power motive is activated when people are allowed to have an impact, impress those in power, or beat competitors.

Theory of “X” and Theory of “Y”: Douglas McGregor observed two diametrically opposing view points of managers about their employees, one is negative called “Theory of X” and one is positive called “Theory of Y”

- a) Theory of X : Following are the assumptions of managers who believe in the “Theory of X” in regard to their employees.
- Employees dislike work; if possible avoid the same
 - Employees must be coerced, controlled or threatened to do the work
 - Employees avoid responsibilities and seek formal direction
 - Most employees consider security of job, most important of all other factors in the job and have very little ambition
- b) Theory of Y: Following are the assumptions of managers who believe in the “Theory of Y” in regard to their employees.
- Employees love work as play or rest
 - Employees are self directed and self controlled and committed to the organizational objectives
 - Employees accept and seek responsibilities
 - Innovative spirit is not confined to managers alone, some employees also possess it.

Theory of X assumes Maslow’s lower level needs dominate in employees. Whereas Theory of Y, assumes Maslow’s higher level needs dominate in employees.

Goal Setting Theory : Edwin Locke proposed that setting specific goals will improve motivation. Salient features of this theory are the following:

- Specific goal fixes the needs of resources and efforts
- It increases performance
- Difficult goals result higher performance than easy job
- Better feedback of results leads to better performance than lack of feedback.
- Participation of employees in goal has mixed result
- Participation of setting goal, however, increases acceptance of goal and involvements.
- Goal setting theory has identified two factors which influences the performance. These are given below;
 - Goal commitment

- Self efficiency
- Goal commitment: Goal setting theory presupposes that the individual is committed to the goal. This commitment depends on the following:
 - Goals are made public
 - Individual has an internal locus of control
 - Goals are self-set
- Self –Efficiency : Self Efficiency is the belief or self confidence, that he/she is capable of performing task. Persons with high self-efficiency put up extra-efforts when they face challenges. In the case of low self-efficiency level they will lessen or even abandon when meeting challenges.

Reinforcement Theory: This theory focus its attention as to what controls behaviour. In contrast to goal setting theory, which is cognitive approach focus attention on what initiates behaviour. Behaviour, as per cognitive approach is initiated by internal events. Reinforcement theory argues that behaviour is reinforced and controlled by external events. The classical conditioning proposed by Pavlov which we have already studied in our earlier lessons explains this in a better way.

Equity theory: This theory of motivation centres around the principle of balance or equity. According to this theory level of motivation in an individual is related to his or her perception of equity and fairness practiced by management. Greater the fairness perceived higher the motivation and vice versa. In this assessment of fairness, employee makes comparison of input in the job (in terms of contribution) with that of outcome (in terms of compensation) and compares the same with that of another colleague of equivalent cadre.

PPT

1. **MOTIVATION**
2. **DEFINITION**
3. **THEORIES OF MOTIVATION**
4. **THEORIES OF MOTIVATION (CONTD.)**
5. **NEED HIERARCHY THEORY**
6. **THEORY X & THEORY Y**
7. **HERZBERG'S TWO-FACTOR THEORY**
8. **ERG THEORY**
9. **McCLELLAND'S THEORY OF NEEDS**
10. **GOAL SETTING THEORY**

- 11. EQUITY THEORY
- 12. EXPECTANCY THEORY

MOTIVATION

DEFINITION

*THE PROCESS THAT
ACCOUNTS FOR AN
INDIVIDUAL'S INTENSITY,
DIRECTION, AND
PERSISTENCE OF EFFORT
TOWARD ATTAINING A GOAL*

THEORIES OF MOTIVATION

CONTENT THEORY

- ✦ NEED HIERARCHY THEORY
- ✦ THEORY X & THEORY Y
- ✦ TWO-FACTOR THEORY
- ✦ ERG THEORY
- ✦ McCLELLAND'S THEORY OF NEEDS

THEORIES OF MOTIVATION (CONTD.)

PROCESS THEORY

- ✦ GOAL SETTING THEORY
- ✦ EQUITY THEORY
- ✦ EXPECTANCY THEORY

NEED HIERARCHY THEORY

- ✦ **PHYSIOLOGICAL NEEDS**
- ✦ **SAFETY NEEDS**
- ✦ **NEEDS FOR BELONGINGNESS**
- ✦ **ESTEEM NEEDS**
- ✦ **NEED FOR SELF-ACTUALIZATION**

THEORY X & THEORY Y

THEORY X

- ✦ **EMPLOYEES DISLIKE WORK**
- ✦ **THEY MUST BE CONTROLLED TO ACHIEVE GOALS**
- ✦ **THEY AVOID RESPONSIBILITIES**
- ✦ **MOST PUT SECURITY ABOVE ALL**

THEORY Y

- ✦ **EMPLOYEES LIKE WORK**
- ✦ **PEOPLE WILL EXERCISE SELF-CONTROL**
- ✦ **THEY SEEK RESPONSIBILITIES**
- ✦ **THEY ARE INNOVATIVE**

HERZBERG'S TWO-FACTOR THEORY

INTRINSIC FACTORS ARE RELATED TO JOB SATISFACTION, WHILE EXTRINSIC FACTORS ARE ASSOCIATED WITH DISSATISFACTION

ERG THEORY

THERE ARE THREE GROUPS OF CORE NEEDS:

✦ EXISTENCE

✦ RELATEDNESS

✦ GROWTH

McCLELLAND'S THEORY OF NEEDS

✦ NEED FOR ACHIEVEMENT

✦ NEED FOR POWER

✦ NEED FOR AFFILIATION

GOAL SETTING THEORY

**SPECIFIC AND DIFFICULT
GOALS WITH FEEDBACK
LEAD TO HIGHER
PERFORMANCE**

EQUITY THEORY

INDIVIDUALS COMPARE
THEIR JOB INPUTS AND
OUTCOMES WITH THOSE OF
OTHERS AND THEN RESPOND
SO AS TO ELIMINATE ANY
INEQUITIES

EXPECTANCY THEORY

**THE STRENGTH OF A TENDENCY
TO ACT IN A CERTAIN WAY
DEPENDS ON AN EXPECTATION
THAT THE ACT WILL BE
FOLLOWED BY A GIVEN OUTCOME
AND ON THE ATTRACTIVENESS OF
THAT OUTCOME TO THE
INDIVIDUAL.**

