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9: Motivation

Motivation: getting people to do what you want them to do because they want to do it
*Internal or external forces that arouse **enthusiasm & persistence to pursue** a certain course of action*

- Workers not engaged in their work - 'sleep walking'
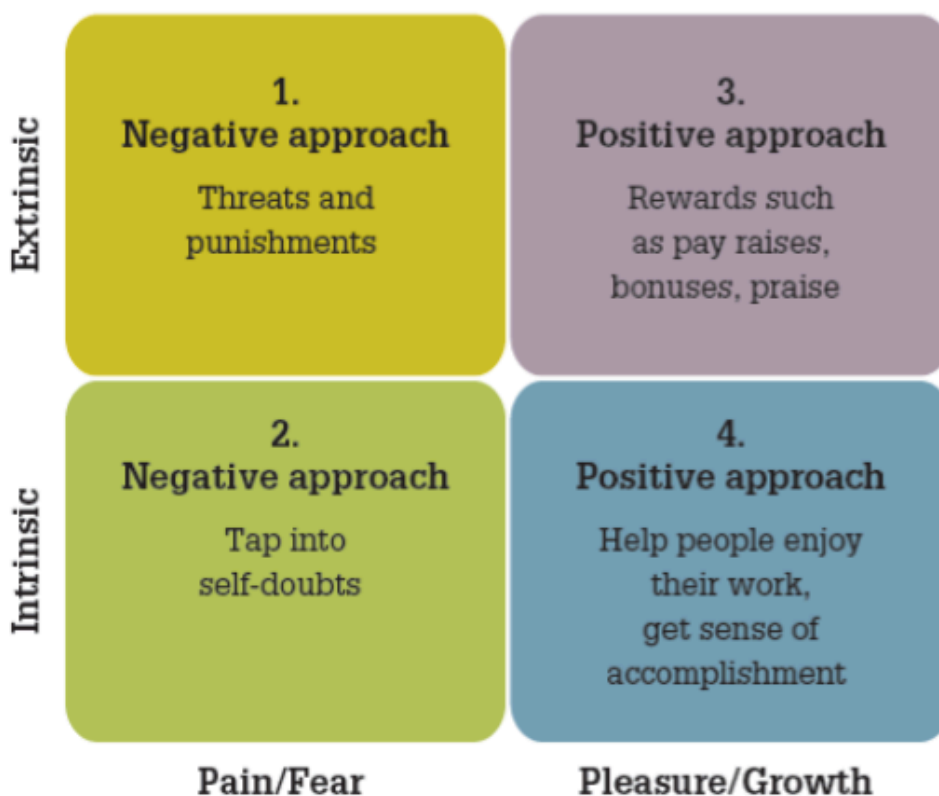- Lost productivity of actively disengaged employees costs US economy $370 billion annually

Intrinsic reward: satisfaction received in process of performing action
Extrinsic reward: reward given by another person

- **Need**: creates desire to fulfil need (money, friendship etc.)
- **Behaviour**: results in actions to fulfil needs
- **Rewards**: satisfy needs= intrinsic/ extrinsic

4 categories of motives
- Based on **2 criteria:** behaviour driven by fear/ pain VS. growth/ pleasure
    - **Negative**: threats or punishment
    - **Positive**: extrinsic rewards that create pleasure, deep-seated employee energy - deriving intrinsic rewards from work

Extrinsic

1. Negative approach
Threats and punishments

3. Positive approach
Rewards such as pay raises, bonuses, praise

Intrinsic

2. Negative approach
Tap into self-doubts

4. Positive approach
Help people enjoy their work, get sense of accomplishment

Pain/Fear   Pleasure/Growth

Content-based theories   (4)
➢ **Hierarchy of needs**- Abraham Maslow
*People motivated by multiple needs that **exist** in hierarchical **order***

- Physiological needs
- Safety
- Belongingness
- Esteem

- Self-actualisation
  - Developing ones full potential
  - Opportunities for training, advancement, growth/ creativity

➢ ERG theory
Modification of needs hierarchy

3 categories of needs:
- Existence needs
- Relatedness needs
- Growth needs

Frustration-regression principle: failure to meet high order need may cause regression to **already satisfied lower-order** need

➢ Two-factor theory- Frederick Herzberg
Work characteristics associated with dissatisfaction different from those pertaining to satisfaction

2 factors contributing to employee's behaviour
- **Hygiene factors**
  Presence/ absence of **job dissatisfiers**:
  - work conditions, pay, company policies
- **Motivators**
  Factors that influence job satisfaction based on **fulfilment of high-level needs**:
  - achievement, recognition, responsibility, opportunity for growth

➢ Acquired needs theory
Certain types of needs acquired during individual's lifetime

Most common **acquired needs:**
Need for achievement, affiliation, power

Process-based theories   (3)
***HOW** employees select behaviours to meet their needs & determine if their choices were successful*

➢ Goal setting theory
*Motivation by **setting specific, challenging goals** that are **accepted** by subordinates*

➢ Equity theory
Individuals perception of how fairly they are treated relative to others
Equity: ratio of one person's outcome (based on their inputs) = to another's

Reducing inequity:
- Change work efforts
- Change outcomes
- Distorted perceptions
- Leave job

➢ Expectancy theory
*Motivation depends on **individual's expectations about their ability** to perform tasks & receive desired rewards*

3 elements:

Effort = performance = outcomes (pay, recognition etc.)

- ❖ **E-P expectancy:** Expectancy that putting effort into a given task will lead to high performance
- ❖ **P-O expectancy:** Expectancy that successful performance of task = desired outcome
- ❖ **Valence:** Value/ attraction an individual has for an outcome

Reinforcement perspectives

- **Relationship b/w given behaviour & consequences**
- Focuses on **modification** of employee behaviour thru rewards & punishments

Direct reinforcement - Behaviour modification

Reinforcement: anything that causes given behaviour to be repeated/ inhibited
Law of effect: underlying +ve reinforcement = repetition of behaviour

4 tools for behaviour modification:

- +ve reinforcement
- Avoidance learning (**-ve** reinforcement)
- Punishment
- Extinction

Job design for motivation

Job design: application of motivational theories to structure of work to improve productivity
Job enrichment: job designed incorporating achievement, recognition, other high-level motivators
Job rotation: move employees from 1 job to another
Job enlargement: offer employees variety of activities

Job characteristics model

Core job **dimensions**, critical psychological states & employee growth-need

- Skill variety
- Task identity
- Task significant
- Autonomy
- Feedback

Employee growth-need strength: people have diff needs for growth/ development

- Effective when people have **high need for growth/ development**

Innovative ideas for motivating

diff types incentive compensation to motivate employees

Post GFC, employers used:

- Pay for performance
- Gain sharing
- Pay for knowledge
- Flexible work schedule
- Lifestyle awards

Empowerment

Empowering: shifts power down from top of organisation

- Can act freely & accomplish job

Empowered employees:

- Receive info about organisational performance
- Have knowledge & skills to contribute to organisational goals
- Power to make decisions
- Rewarded