

LECTURE 2

MOTIVATION THEORIES

What is Motivation?

Motivation accounts for the direction and persistence effort expended at work.

Managers exercise leadership in ways that encourage other people to work hard in their job.

What are Rewards?

Is a work outcome of possible value to individuals.

Extrinsic Reward:

Externally administered

Valued outcomes given by someone to others.

Intrinsic Reward:

Self administered

Occurs naturally as one performs task.

What are Content Theories?

Begins with individual needs.

Need is an unfulfilled physiological and psychological desire.

Content theories use individual needs to explain behaviours and attitudes by people at work.

Content Theories

- ERG Theory by Clayton Alderfer.
- Two Factor Theory by Frederick Herzberg.
- Acquired Needs Theory by David McClelland.

Alderfer's ERG Theory

Has three core needs:

Existence needs

Desires of physiological and material well-being.

Relatedness needs:

Desire for satisfying interpersonal relationships.

Alderfer's ERG Theory

Growth needs:

Desires for continued psychological growth and development.

* These needs can influence individual's behaviour in a given time. Unlike Maslow, all the needs can exist at the same time.

Herzberg's Two Factor Theory

Known as Hygiene Factor

- Working condition
- Co-worker's condition
- Policies and procedures
- Supervisor's quality
- Basic wage and salary

Herzberg's Two Factor Theory

Known as the motivator factors

- Achievement
- Recognition
- Responsibility
- Work itself
- Advancement
- Personal growth

Herzberg's Two Factor Theory

Principles:

Improving the motivator factors increases job satisfaction.

Improving the hygiene factors decreases job dissatisfaction.

McClelland's Acquired Needs Theory

Need for achievement (nAch)

Desire to do something better, to solve problems or to master complex task.

Need for power (nPow)

Desire to control and influence for other people.

Need for affiliation (nAff)

Desire to establish and maintain good relationship with people.

What are Process Theories?

Explains how people make a choice to work hard or not based on:

- Individual preference
- Available reward
- Work outcome

Process Theories

- Equity Theory by Stacy Adams
- Expectancy Theory by Victor Vroom
- Goal Setting Theory by Edwin Locke

Stacy Adam's Equity Theory

- Based on logical social comparison.
- People believe that they have been treated unfairly compared to others.
- Perceived iniquity occurs when people feel that rewards received for their work efforts are unfair when compared with others.

Vroom's Expectancy Theory

Three key elements:

Expectancy

A person's belief that working hard will result in a desired work performance.

Effort ----- Performance

Instrumentality

A person's belief that outcome will occur as a result of work performance

Vroom's Expectancy Theory

Valence

The value a person assigns to the possible reward.

Reward-----Personal Satisfaction

Willingness of an individual to work hard for a task. They will do what they want to do when they want to do it.

Goal Setting Theory

Focuses on task goal.

Goals:

- **Gives direction to people at work.**
- **Clarify the performance expectation.**
- **Establish a frame of preference for task feedback.**
- **Foundation for behavioral self management**

Management by Objective (MBO)

Is a process of joint objective settings between supervisors and subordinates. Ingredients of MBO:

- 1. Goal specification**
- 2. Participate in decision making**
- 3. Explicit time frame**
- 4. Performance feedback**