

# Motivating Employees Achieving Superior Performance in the Workplace

PPT8  
Chapter Twelve

# Major Questions You Should Be Able to Answer

- 12.1** What's the motivation for studying motivation?
- 12.2** What kinds of needs motivate employees?
- 12.3** Is a good reward good enough? How do other factors affect motivation?
- 12.4** What's the best way to design jobs—adapt people to work or work to people?

# Major Questions You Should Be Able to Answer

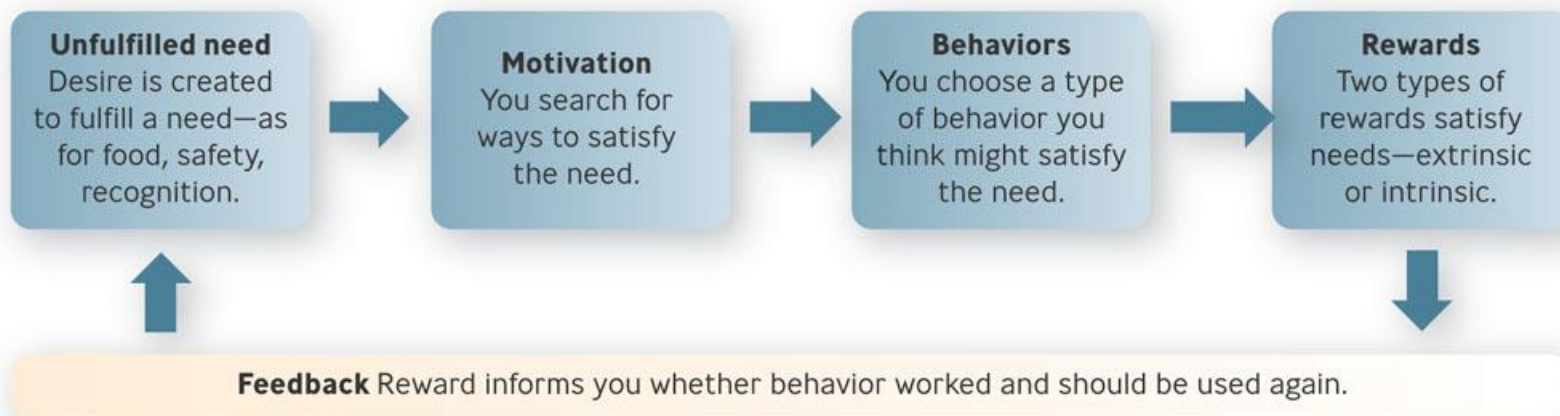
- 12.5** What are the types of incentives I might use to influence behavior?
- 12.6** How can I use compensation and other rewards to motivate people?

# Motivation: What It Is, Why It's Important

## ★ Motivation

↪ the psychological processes that arouse and direct goal-directed behavior

Figure 12.2



# Motivation: What It Is, Why It's Important

## ✦ Extrinsic rewards

↳ payoff a person receives from others for performing a particular task

## ✦ Intrinsic rewards

↳ satisfaction a person receives from performing the particular task itself

# Question

Bethany is writing a paper for her Management class. She already has a strong 'A' in the class, and only needs to get a C on the paper to keep her A. As she prepares the final version of the paper, she takes special care that the paper is well-written, insightful, and error-free, something that she can be proud of. Bethany is experiencing:

- A. An intrinsic reward
- B. High equity
- C. A belongingness need
- D. A hygiene factor

# Why Is Motivation Important?

## You want to motivate people to:

- ★ Join your organization
- ★ Stay with your organization
- ★ Show up for work at your organization
- ★ Be engaged while at your organization
- ★ Do extra for your organization

# Content Perspectives

## ✦ Content perspectives

↳ theories that emphasize the needs that motivate people

## ✦ Needs

↳ physiological or psychological deficiencies that arouse behavior



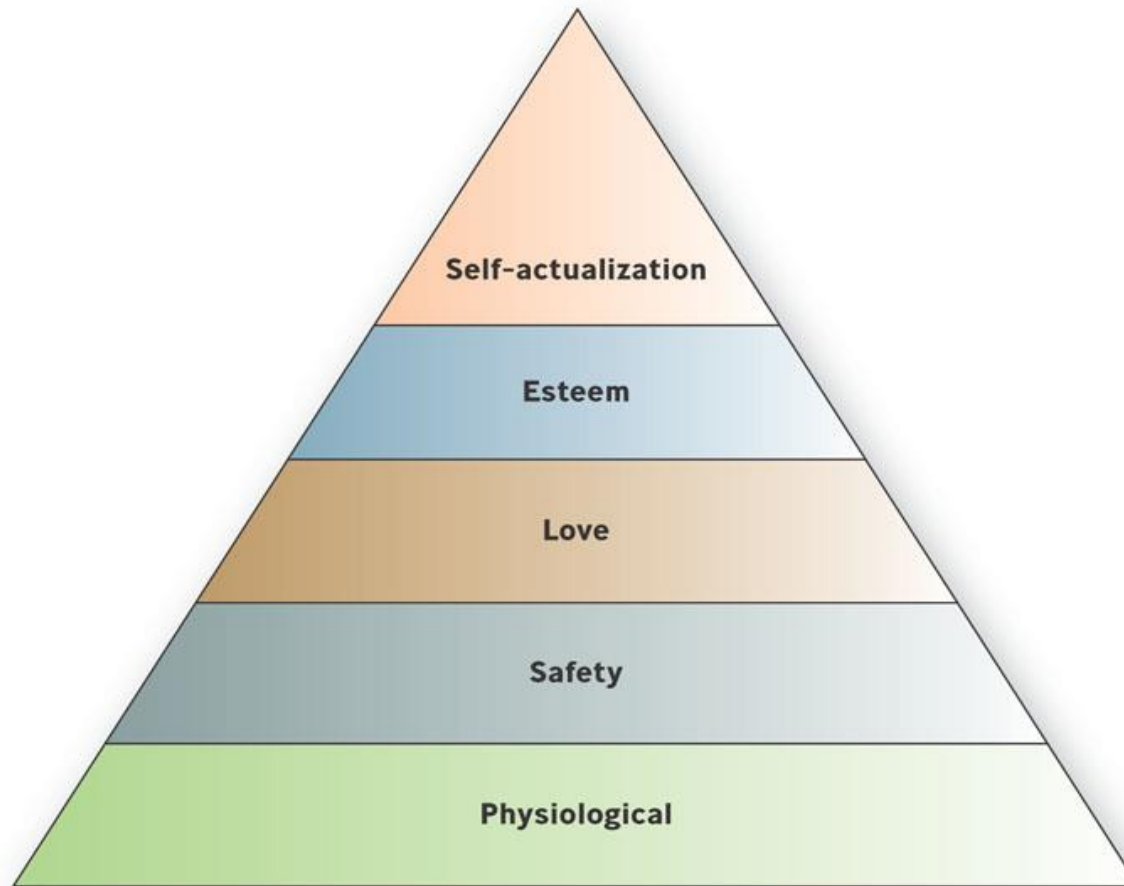
# Maslow's Hierarchy of Needs

**Hierarchy of needs** theory proposes that people are motivated by five levels of needs

- ★ Physiological
- ★ Safety
- ★ Love
- ★ Esteem
- ★ Self-actualization

# Maslow's Hierarchy of Needs

Figure 12.3



# Example: A Hotel CEO Applies Maslow's Hierarchy

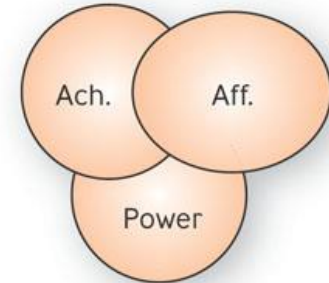
- ★ In *Peak: How Great Companies Get Their Mojo from Maslow*, CEO Chip Conley describes how JDV used Maslow's theory to motivate the business's three key stakeholders—employees, customers, and investors—by tapping into the power of self-actualization to create peak performance

joie de vivre<sup>®</sup>

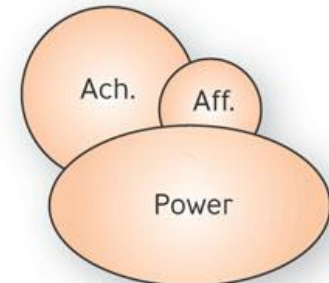
# McClelland's Acquired Needs Theory

## ✦ Acquired Needs Theory

↳ states that three needs - achievement, affiliation, and power - are major motives determining people's behavior in the workplace



A "well-balanced" individual: achievement, affiliation, and power are of equal size.



A "control freak" individual: achievement is normal, but affiliation is small and power is large.

# The Three Needs

## ★ **Need for achievement**

↪ desire to achieve excellence in challenging tasks

## ★ **Need for affiliation**

↪ desire for friendly and warm relations with other people

## ★ **Need for power**

↪ desire to be responsible for or control other people

# Question

Patty prefers working alone, is comfortable taking moderate risks, and feels good when accomplishing a goal. Patty probably has a:

- A. High need for achievement
- B. High need for affiliation
- C. High need for power
- D. Low need for achievement

# Deci & Ryan's Self-Determination Theory

## ★ Self-determination theory

- ↪ assumes that people are driven to try to grow and attain fulfillment, with their behavior and well-being influenced by three innate needs: competence, autonomy, and relatedness

# The Three Innate Needs

## ★ **Competence**

↪ People need to feel qualified, knowledgeable, and capable of completing a goal or task and to learn different skills.

## ★ **Autonomy**

↪ People need to feel they have freedom and the discretion to determine what they want to do and how they want to do it.

## ★ **Relatedness**

↪ People need to feel a sense of belonging, of attachment to others.



# Herzberg's Two-Factor Theory

## Two-Factor Theory

↪ proposed that work satisfaction and dissatisfaction arise from two different factors - work satisfaction from so-called motivating factors and work dissatisfaction from so-called hygiene factors

# Herzberg's Two-Factor Theory

## ✦ Hygiene factors

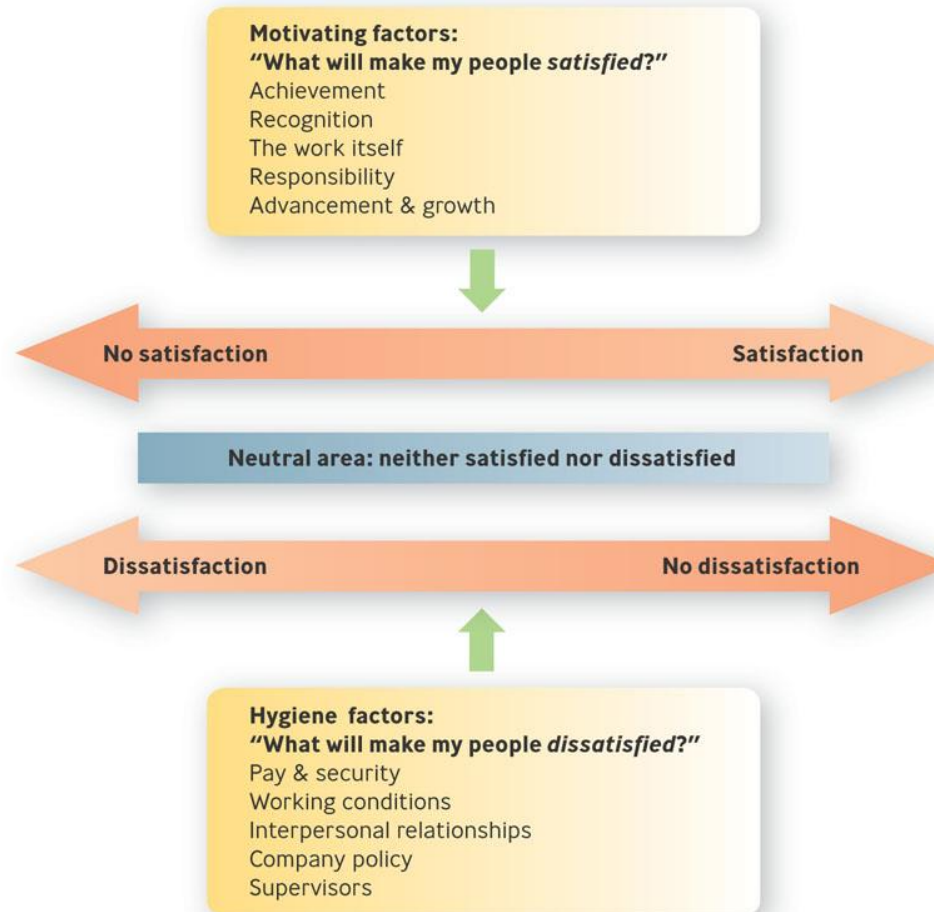
↳ factors associated with job dissatisfaction which affect the job context in which people work

## ✦ Motivating factors

↳ factors associated with job satisfaction which affects the job content or the rewards of work performance

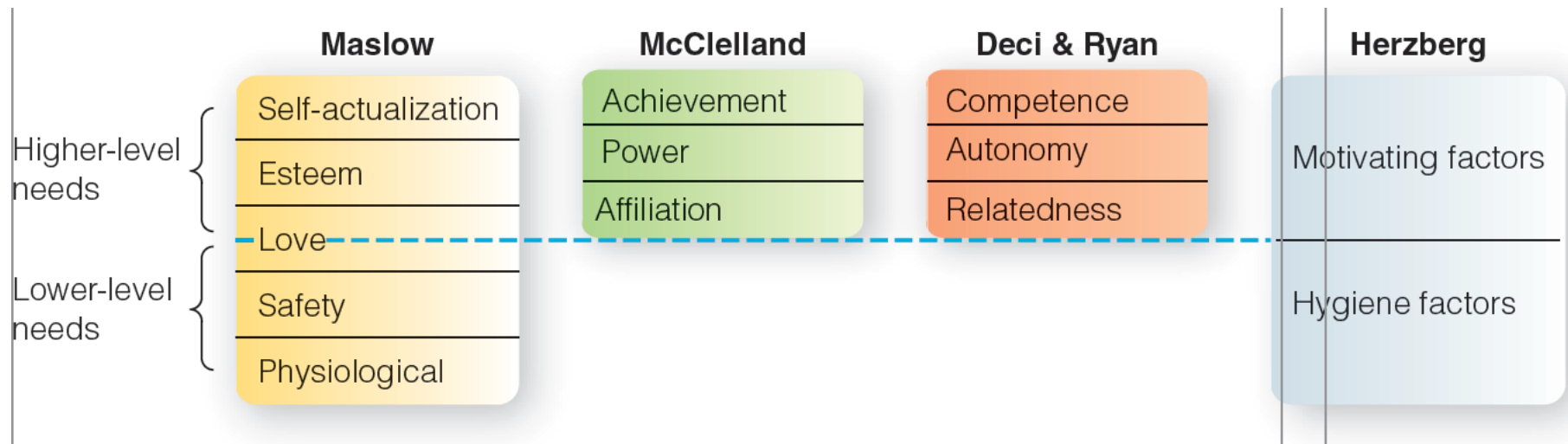
# Herzberg's Two-Factor Theory

Figure 12.5



# A comparison of needs & satisfaction theories: Maslow, McClelland, Deci & Ryan, and Herzberg

Figure 12.6



# Process Perspectives on Employee Motivation

## ★ Process perspectives

↪ concerned with the thought processes by which people decide how to act—how employees choose behavior to meet their needs

★ Equity theory

★ Expectancy theory

★ Goal-setting theory

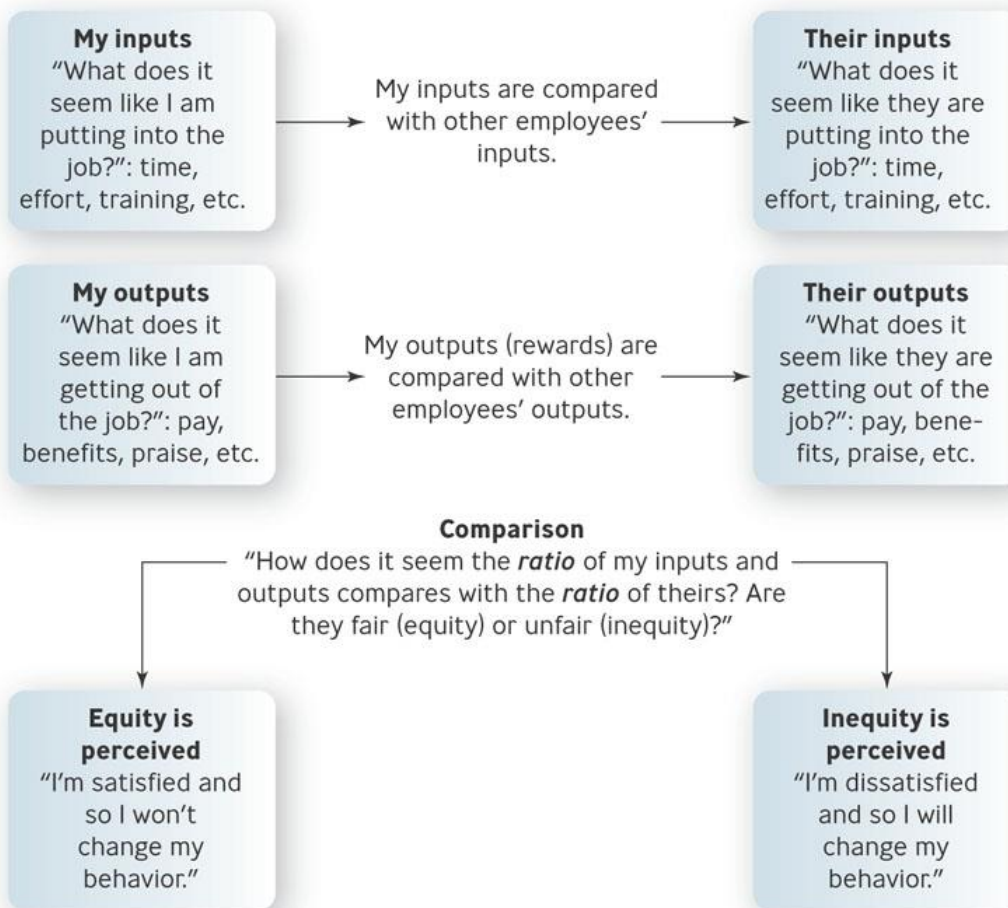
# Equity Theory

## ★ Equity theory

- ↪ focuses on employee perceptions as to how fairly they think they are being treated compared to others
- ↪ Inputs, outputs, comparison

# Equity Theory

Figure 12.7



# Some Ways Employees Try to Reduce Inequity

Table 12.1

- **They will reduce their inputs:** They will do less work, take long breaks, call in “sick” on Mondays, leave early on Fridays, and so on.
- **They will try to change the outputs or rewards they receive:** They will lobby the boss for a raise, or they will pilfer company equipment.
- **They will distort the inequity:** They will exaggerate how hard they work so they can complain they’re not paid what they’re worth.
- **They will change the object of comparison:** They may compare themselves with another person instead of the original one.
- **They will leave the situation:** They will quit, transfer, or shift to another reference group.



# Practical Lessons from Equity Theory

1. Employee perceptions are what count
2. Employee participation helps
3. Having an appeal process helps



# Expectancy Theory

## Expectancy Theory

↪ suggests that people are motivated by two things:  
(1) how much they want something and (2) how likely they think they are to get it

# Expectancy Theory

## ★ Expectancy

↪ belief that a particular level of effort will lead to a particular level of performance

## ★ Instrumentality

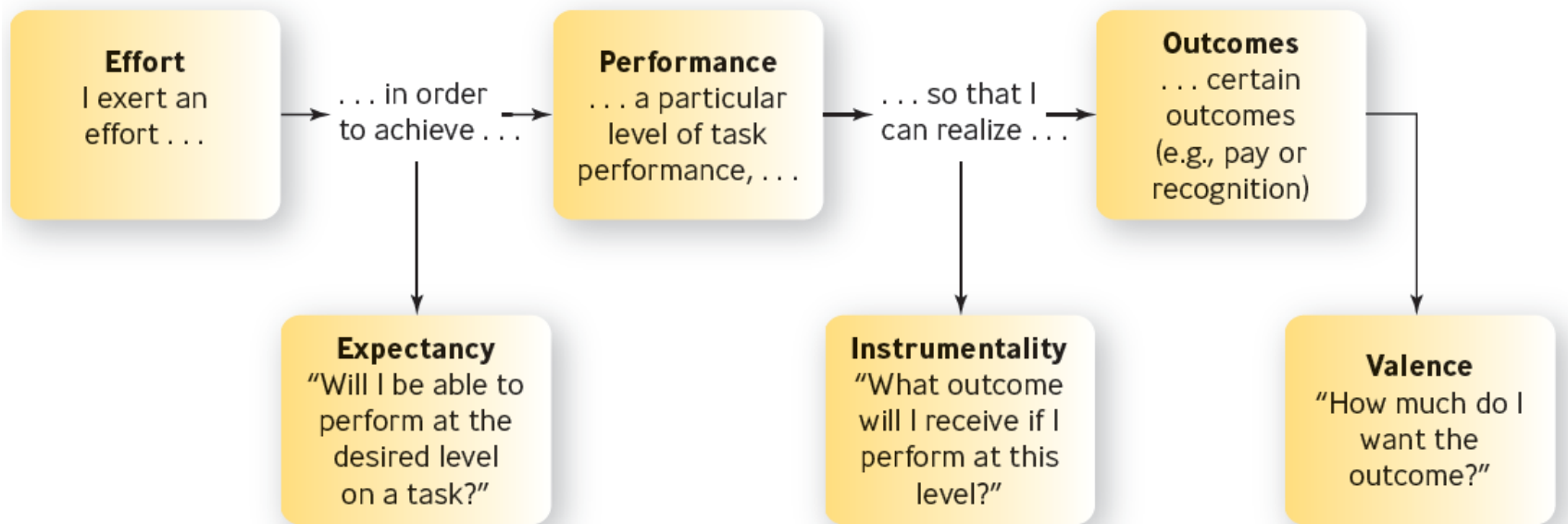
↪ expectation that successful performance of the task will lead to the desired outcome

## ★ Valence

↪ the value a worker assigns to an outcome

# Expectancy Theory: The Major Elements

Figure 12.8



# Question

Last year, Diana's boss promised her a big bonus if she met her goals. At the end of the year, after Diana had exceeded her goals, she found her bonus was very small. In the future, Diana's \_\_\_\_\_ will probably be \_\_\_\_\_.

- A. Valence; low
- B. Instrumentality; low
- C. Expectancy; low
- D. Expectancy; high

# Goal-Setting Theory

1. Goals should be specific
2. Goals should be challenging but achievable
3. Goals should be linked to action plans
4. Goals need not be jointly set to be effective
5. Feedback enhances goal attainment

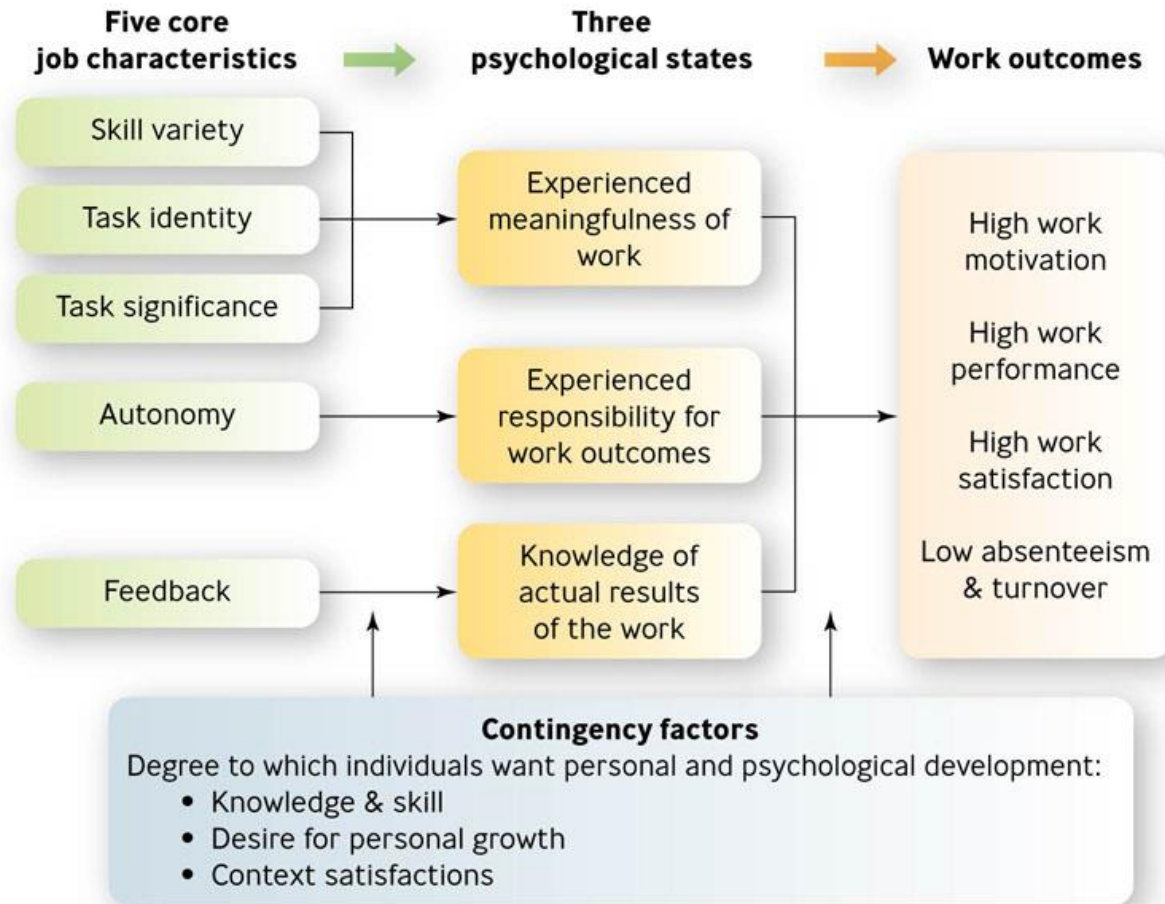
# Job Design Perspectives

## Job design

- ↪ division of an organization's work among its employees and the application of motivational theories to jobs to increase satisfaction and performance
- ↪ Job simplification, job enlargement, job enrichment

# Job Characteristics Model

Figure 12.9





# Reinforcement Perspectives on Motivation

## Reinforcement theory

↪ attempts to explain behavior change by suggesting that behavior with positive consequences tends to be repeated, whereas behavior with negative consequences tends not to be repeated

# Types of Reinforcement

## ✦ Positive reinforcement

↳ use of positive consequences to encourage desirable behavior

## ✦ Negative reinforcement

↳ process of strengthening a behavior by withdrawing something negative

# Types of Reinforcement

## ✦ Extinction

↳ weakening of behavior by ignoring it or making sure it is not reinforced.

## ✦ Punishment

↳ process of weakening behavior by presenting something negative or withdrawing something positive

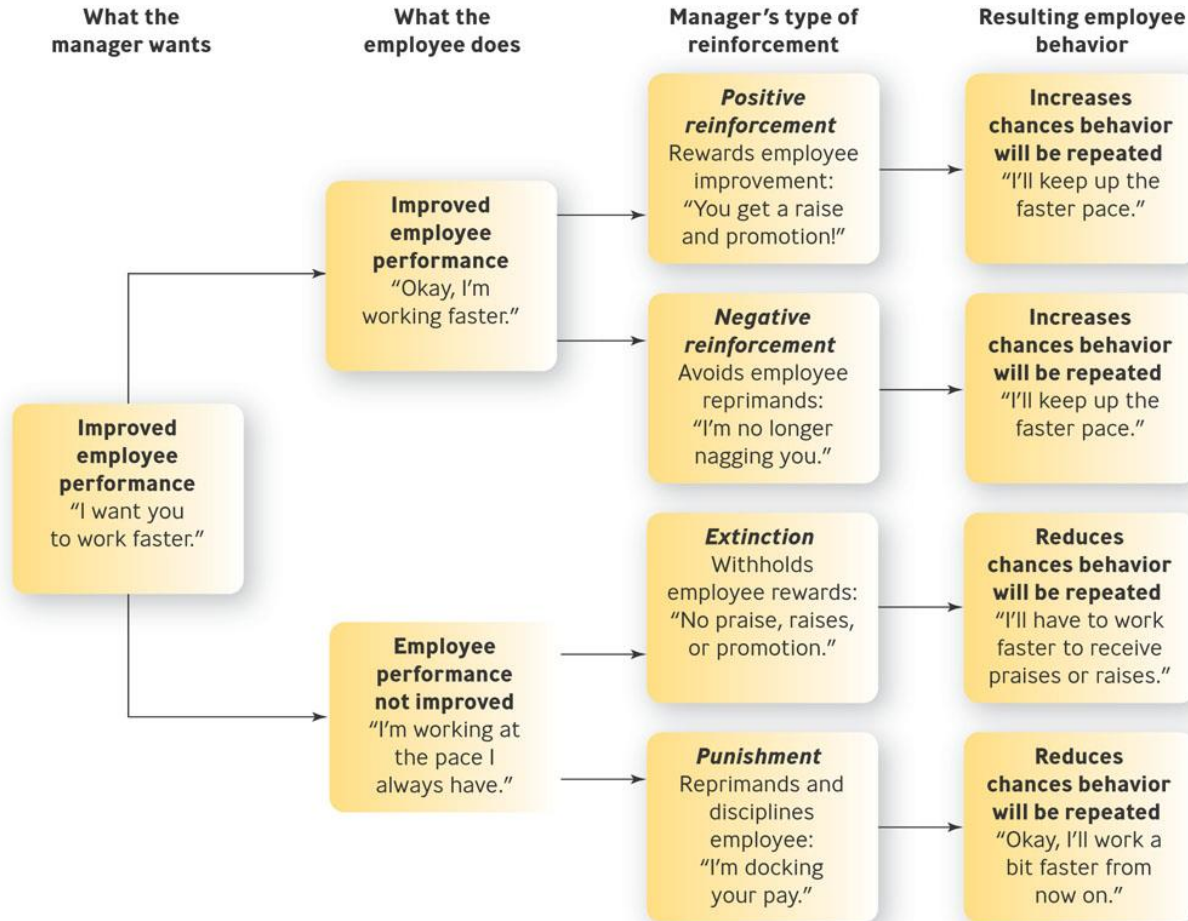
# Question

When a manager stops nagging a subordinate, the manager is using:

- A. Positive reinforcement
- B. Negative reinforcement
- C. Punishment
- D. Intrinsic motivation

# Four Types of Reinforcement

Figure 12.10



# Using Reinforcement to Motivate Employees

## Positive reinforcement

- ★ Reward only desirable behavior
- ★ Give rewards as soon as possible
- ★ Be clear about what behavior is desired
- ★ Have different rewards and recognize individual differences

# Popular Incentive Compensation Plans

- ★ Piece rate
- ★ Sales commission
- ★ Bonuses
- ★ Profit-sharing
- ★ Gainsharing
- ★ Stock options
- ★ Pay for knowledge



# Question

In Earl's department at Pencilchicken, Inc. employees get money based on how much the department has been able to save in costs. This is an example of a \_\_\_\_\_ compensation plan.

- A. Pay for performance
- B. Pay for knowledge
- C. Bonus
- D. Gainsharing



# Nonmonetary Ways of Motivating Employees

- ★ Flexible workplace
- ★ Thoughtfulness
- ★ Work-life benefits
- ★ Surroundings
- ★ Skill-building & educational opportunities
- ★ Sabbaticals