
UNIT 10 MOTIVATION

Structure

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10.0 OBJECTIVES

After studying this unit, you should be able to :

- define the term motivation;
- describe the characteristics of motivation;
- identify different types of motivators;
- examine various theories of motivation;
- identify different types of needs and factors contributing to motivation;
- distinguish between Maslow and Herzberg's theories of motivation;
- explain the motivational strategies suggested by Theory X,Y and Z;
- describe ERG theory of motivation;
- describe achievement motivation model;
- identify the components of expectancy theory of motivation;
- draw a model of motivation suggested by Porter and Lawler; and
- discuss various approaches of motivating employees in an organisation.

10.1 INTRODUCTION

Motivation is a psychic force that drives an individual towards goal realisation. It is a process of inducing the individuals' desires towards goals. Human beings derive satisfaction when goal is realised. Both financial and non-financial factors motivate employees. Motivating employees and driving their energy towards organisational goals have been a major question for managers. A number of theories of motivation have emerged to answer this. These theories have focussed on different aspects of human motivation. In this Unit, you will learn the concept of motivation and the motivators. You will further learn various theories of motivation which help in understanding human nature and designing strategies for developing work culture in the organisation. You will be familiarised with the managerial approaches to motivating employees.

10.2 CONCEPT OF MOTIVATION

It is a known fact that motivation is a psychological concept. It inspires a person to intensify his efforts for the achievement of certain objectives. It motivates a person in action and induces him to continue in the course of action enthusiastically. It is described in a number of qualitative ways. The Encyclopedia of Management has defined motivation as the degree of readiness of an organism to pursue some designated goal, and implies the determination of nature and locus of the forces including the degree of readiness. In the words of Dalton E. Mc Farland, Motivation refers to the way in which urges, drives, desires, aspirations, strivings, or needs, direct, control or explain the behaviour of human beings. Koontz and O'Donnell stated that motivation is a general term applying to the entire class of drives, desires, needs, wishes, and similar forces. Dubin referred motivation to the complex of forces starting and keeping a person at work in an organisation. Motivation starts and maintains an activity along a prescribed line. Motivation is something that makes the person to action and continues him in the course of action already initiated. These definitions show that motivation has following characteristics.

- Motivation is an inner feeling and psychological aspect. However its reaction is physical.
- Motivation is a process. It is continuous and contains system orientation.
- It stimulates the human being to release his energy and the behaviour is directed to realise goals.
- Motivation can be positive or negative.
- It is complex. It is influenced by many variables at a time.

Motivation arises from the needs and desires of individuals. Human energy is directed towards realisation of goals. Realisation of goals produces satisfaction and relief from tensions. This re-energises the individual and leads to new goal formation. If the desired goal is not realised, individual gets dissatisfaction. Dissatisfaction enhances tension. Interestingly this also re-energises the individual. Here goal strengthening takes place and individual tries to realise the goal. If the goal is not realised, there are two possibilities. One is that the goal displacement occurs, which leads to alternative goal formation. The second is that entirely new goal formulation takes place. Thus, motive determines behaviour and behaviour leads to goal realisation.

10.3 MOTIVATORS

Motivators are stimulants that drive individual into action. They are related to physical or psychological aspects of human behaviour. Motivators are classified into financial or non-financial. They are described below:

Financial Motivators: Financial motivators relate to money or any other benefits that can be converted or expressed into monetary unit. In the present day context, money has become a means to satisfy the physical needs. It is an instrument of obtaining social position and power. Thus, money became a basic incentive for

individuals. Wages, salaries, allowances, bonus, financial incentives, commission etc. are financial motivators. These financial motivators motivate individuals to join the organisations. The financial package should motivate the present and prospective employees.

However, it should be borne in mind that money is not an end but a means of an end. It can satisfy both physical and safety needs. Interestingly some people place a little emphasis on money irrespective of their possession. However, certain people are continuously driven by the desire to acquire more money even if they have possessed wealth to satisfy their basic needs. This may be to satisfy their desire for status, esteem and self-actualization. This reveals that money is an instrument by which a person can satisfy various types of needs. Even research supports use of money in satisfying esteem and recognition needs too, as well as basic physiological needs.

The above discussion makes it clear that money is a motivator. Its role in motivation is unquestionable. However behavioural theories placed importance on non-monetary rewards and suggested that if money only motivates, there could have been human machines and not human beings.

Non Financial Motivators: General hypothesis is that financial incentives motivate employees for higher work. However, individuals have variety of needs that they want to satisfy while working in the organisations. People attach more importance to socio-psychological needs that cannot be satisfied by money alone at higher level of managerial hierarchy. Thus management provides non-financial incentives to motivate people in the organisation in addition to the financial incentives. However, the emphasis of non-financial incentives is to provide psychological and emotional satisfaction rather than financial satisfaction. For example, receiving promotion in the organisation gives psychological satisfaction. This is because one gets better status, more challenging job, authority etc., which are more worth than getting more pay by way of promotion. Some important non-financial incentives include: status, promotion, responsibility, recognition, job security, etc.

Check Your Progress A

- 1) Mention various forms of financial incentives

.....

- 2) Mention the different forms of non-financial incentives

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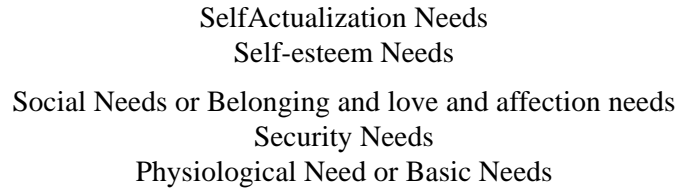
10.4 THEORIES OF MOTIVATION

Motivation has been ever challenging to the managers and even to leaders who are responsible to bring commitment of their followers towards common tasks. Motivating requires understanding human nature and designing strategies for getting the work done. In this direction, a number of motivation theories have been advanced. Let us learn them in detail.

10.4.1 Maslow's Need Hierarchy Theory

Abraham Harold Maslow advocated the theory of motivation based on various needs. Maslow identified five distinct categories of needs. He arranged these needs into a hierarchy, and stated that individuals wish to satisfy particular need to a moderate extent, and then tries to satisfy the next need in the hierarchy. Maslow identified human needs into five distinct categories. They are arranged in the order of their importance forming a hierarchy. Look at Figure 10.1 which shows five distinct categories needs.

Figure 10. 1 : Maslows' Need Hierarchy



According to Maslow, certain concepts are relevant for understanding the needs. They are pre-potency, deprivation, domination, gratification and activation. Pre-potency is the strength associated with the needs. Physiological needs have greater pre-potency. Deprivation is the perception of an obstacle for satisfaction of a need. Thus, deprived need has high pre-potency. Domination is attaching importance to a need. A deprived need dominates the individual. In order to reduce dissonance associated with the deprivation, individuals try to gratify by undertaking some action. Therefore, gratification is the satisfaction of the need. Gratified need does not dominate. At the end, activation of need determine motivation. Need satisfaction activates the needs from one level to next higher levels. Maslow believes that these repeat as a cycle until the highest level need is satisfied. Based on the concept Maslow identified five categories of needs and their role in motivating individuals. They are described below:

- 1) **Physiological Needs:** Basic and primary needs required for human existence are physiological needs. They relate to biological and are required for preservation of basic human life. These needs are identified to the human organ in the body. They are finite needs. They must be satisfied repeatedly until human beings die. They are not associated with money alone. They are hunger, thirst, sleep, shelter, sex, and other bodily needs. The proposition relating to the basic needs is that they are primary motivators to any individual and once they are satisfied, they no longer motivate. The next level need becomes important for satisfaction until the basic need is dormant. Provision of adequate monetary rewards to satisfy these needs motivate employees in organisations.
- 2) **Safety Needs:** Individuals seek protection from natural environment, biological danger, economic deprivation and emotional threat from other beings and animals. For this purpose, he wishes security for himself. The protection may be in the form of seeking a shelter and forming into primary groups to combat threat from the natural beings. The motivational proposition are that the safety needs dominate as soon as physiological needs are satisfied, and after individual seeks to satisfy fairly the security needs they do not motivate him. In order to motivate employees, organisations provide fringe benefits, health and accident insurance, housing loans, etc.
- 3) **Social Needs:** Basically individual is a social being. He cannot live in isolation and silence. Thus, he intends to establish relationship with other human beings and some times wish to rear animals. Social needs emerge from the basic urge of individuals to associate, belong with others, make friendship, make companionship, desire to be accepted by others and seek affection. These needs are secondary in nature. The propositions relating to social needs are that these needs are satisfied by symbolic behaviour and through physic and psychic contact with others in the society. They are substantially infinite and exist until the end of human life. Organisations should provide scope for formation of informal groups, encourage working in teams, and provide scope for interpersonal communication, interpersonal relationships and interpersonal understanding to motivate employees.
- 4) **Esteem Needs:** Maslow believes that people seek growth. They have natural desire to be identified and respected by others. This instinct is called as esteem. Esteem needs are associated with self-esteem and esteem from others. The need for power, self respect, autonomy, self confidence, achievement, recognition of competence, knowledge, desire to have freedom, status and secure attention of others, appreciation are some of the esteem needs individual wishes to satisfy. Maslow identified them, as

higher order needs. The nature of esteem needs is that they are dormant until basic, security and social needs are fairly satisfied. Satisfaction of esteem needs produce a feeling of self-confidence, strength, capability and adequacy in the individuals.

- 5) **Self-actualization Needs:** Self-actualization is transformation of perception and dream into reality. Individuals have inner potential to do some thing different from others. Realising the full inner potential, one wishes to become what he is capable of becoming. Attaining to the level of fulfilment of self-actualization needs is a difficult task as individuals are not clear about their inner potentials until an opportunity is perceived. Moreover these needs change with a change in human life. The intensity of self-actualization changes over life cycle, vary from person to person and environment.

The following propositions are made about the motivation of individuals based on the Maslow hierarchy of needs.

- i) Five needs are classified into lower order needs and higher order needs. While physiological, safety and security needs are lower order needs, esteem and self actualization needs are higher order needs.
- ii) Lower order needs are satisfied externally and higher needs are satisfied internally.
- iii) Individuals start satisfying lower order needs first and proceed to satisfy higher order needs later.
- iv) No need is fully satisfied during the life period of individuals. A need substantially satisfied no longer motivates.
- v) A need when substantially satisfied produces satisfaction and it becomes dormant. Immediately the next level need becomes active. So Individual is continuously motivated to satisfy unsatisfied needs. So, motivation is a continuous process.
- vi) Satisfaction of lower order needs does not produce contentment. In fact, they produce discontentment to satisfy other needs.
- vii) Not all individuals have the same priority to satisfy the needs. Priorities differ from country to country and from situation to situation.
- viii) Individuals are aggressive in the satisfaction of basic needs and unconsciousness demands the satisfaction. However, they use social consciousness in the satisfaction of other needs.

Maslow's need hierarchy theory of motivation was considered logical and simple to understand human motivation. The theory has received attention of practicing managers as they feel that identification of needs of employees provides an insight to motivate them. This theory suggested that giving same reward more than individuals' desire will have diminishing marginal utility. This has specific significance to the practicing manager.

Check Your Progress B

- 1) List the motivational propositions of Maslow model.
.....
- 2) Mention the characteristics of general and organisational context of Maslow's needs from your experience.

Needs

General context

Organisational context

10.4.2 Herzberg's Two Factors Theory

Herzberg identified two sets of distinct factors. They are known as intrinsic factors and extrinsic factors. Intrinsic factors exist within the job. They relate to the job content. They occur at the time of performing the job. They relate to the positive feeling about the job. Thus, they provide job satisfaction. Hence, they provide strong motivation. They are called motivational factors. These factors are needed to keep high levels of job satisfaction and job performance.

Extrinsic factors are external to the job. They are hygiene factors or maintenance factors. They are related to the conditions under which job is performed. Therefore, they are environmental centred. They relate to the job context. They occur after the work is completed. They are identified as job dissatisfiers and are associated with the negative feeling of the employees. They do not provide any growth in the productivity of the employee. Therefore, they provide no motivation. This is the reason that the theory is also known as two factors or dual factor theory. It is also called as motivation-hygiene theory.

The central concept of the theory is that factors which contribute to the job satisfaction are motivators and the factors contributing to job dissatisfaction are hygiene factors which do not provide any motivation. Existence of hygiene factors only prevent employees being dissatisfied. Thus, managers eliminating these factors only make the employees satisfied in the job. Therefore, it is suggested that managers should concentrate on the motivators than the hygiene factors.

Herzberg's theory also received considerable attention because of the identification of the factors that are needed to motivate employees. It suggested that environment is also important factor in deciding the motivation of employees. The theory was appreciated on the ground that it suggested to identify the factors causing boredom and monotony in the job. It also suggested that managers should eliminate the factors of boredom in order to motivate the employees. In addition, redesigning the jobs by providing an opportunity for sense of achievement, advancement, growth and personal development motivate them further. The factors identified by Herzberg are shown in Figure 10.2.

Figure 10.2 : Herzberg's Two Factors

Hygiene Factors: The job context factors that are environmental centered.	Motivational
Factors: Internal factors that relate to job content.	

Company policy and administration	Supervision	Relationship with Superior	Work
conditions	Salary	Relationship with peers	Personal life
		Relationship with subordinates	Status
Achievement	Recognition	Work itself	Responsibility
		Advancement	Growth

Presence	Help in preventing dissatisfaction	Leads to satisfaction and motivation
Absence	Increases dissatisfaction	Prevents both satisfaction and motivation

10.4.3 Similarities and Distinctions between Maslows' Need Hierarchy and Herzberg's Two Factors Theories

Maslow's theory of need hierarchy and Herzberg's two-factors theories are similar and dissimilar in certain respects.

Similarities: The following points of similarities are observed in both theories.

Nature of Motivation: Maslow and Herzberg's theories have identified that motivation is a process and it results in to performance.

Human Needs: Both the theories have considered the totality of needs. Herzberg considered certain needs as motivators. Maslow considered the same needs as esteem and self-actualization.

Behaviour: Both theories have considered that needs determine motivation and motivation determines the behaviour of individuals.

The similarity of needs in Maslow and Herzberg are depicted in Figure 10.3

Figure 10.3 : Similarity of Maslow & Herzberg's Need

Self
Actualization

Esteem

Social

Security

Physiological

Look at Table 10.1 which shows distinction between Maslow and Herzberg's theories.

Table 10.1 Distinction between Maslow's and Hergberg's Theories

Differences	Maslow's Need Hierarchy	Herzberg's Two Factors Theory
Nature	Descriptive	Prescriptive
Arrangement of Needs	Sequential arrangement	No sequential arrangement
Classification	Higher order and Lower Order needs	Hygiene and Motivators
Relationship need causes performance	Unsatisfied need causes behaviour and behaviour causes performance.	Satisfied
Motivation motivators	Satisfied need is not a motivator.	Higher order needs are

Financial factors motivators	Pay and financial benefits are motivators.	Financial benefits are not motivators
Applicability and applicable to work motivation	Macro view and applicable to general motivation.	Considers micro view
Relevance	All individuals	White collar and professional workers

Both the theories of motivation provide a basic framework for understanding human motivation. The theories are relevant in work group settings. However, the theories have not considered individual differences.

10.4.4 Theory X, Theory Y and Theory Z

Douglas McGregor is the pioneer of theory X and theory Y. He explains the pre-dispositions or attitudes toward people in organisations. These theories explain the nature of human beings and the relevant motivational style of the leader to put them into action for the purpose of realisation of organisational objectives. Theory X is the conventional approach to understand motivation. It is based on traditional assumptions about the nature of people.

The theory, explains that management is responsible for providing facilities to the members of the organisation; direct them to get the work done with active intervention. This is because average human beings are indolent, prefers to avoid responsibility and resists changes and he wants to be led by others. Hence, without intervention of management, people would be passive and indifferent towards organisational goals. This theory explains that money, fringe benefits, threats and punishment motivate people. The theory states that traditional division of work, specialisation, strict rules and regulations, multi-layered communication system develops the organisation structure. This results in communication blocks, distortions and negative morale of the people.

Motivational implications of McGregor Theories

According to theory 'x' superior sets objectives for subordinates and there will be a little participation of the subordinates in setting objectives and plans. Hence, there is low commitment towards the plans. The organisation structure is developed on traditional lines of hierarchical structure, communication channels, centralised decision making, specialisation etc., Leadership is autocratic and communication is one way upward. There will be little feed back. The superior acts as a judge for controlling the performance. The primary process will be to find fault and give punishments. Therefore motivation is through threats and punishments and it is purely monetary.

This theory was criticised on the ground that it is based on faculty assumptions and misconceptions of human nature. Accepting the critics McGregor developed theory 'y' based on the human relations approach developed by Hawthorne studies.

According to theory 'y' subordinates are allowed to participate and explore alternatives in the development of plans and objectives. This enables superior and subordinate to set objectives and plans jointly resulting into high motivation and commitment to objectives and plans. Organisation structure is developed on human relations and emphasizes human needs. Leadership is democratic, participative and communication is two-way. So, individual feel responsibility, accountability and committed to perform well due to positive motivation. There is high trust in appraisal of performance. People try to learn from past experience. The system of feed forward control emphasizes problem solving. Thus, the motivation is positive and mostly non-financial.

Theory Z

Theory Z has received considerable attention as a theory of motivation in the recent years. It has originated from Japanese management philosophy. Japanese management is characterised by the optimum use of

human energy. Some other notable features of Japanese organisations are : increase in productivity, lower rates of absenteeism and turnover and high degree of organisational commitment. William Ouchi and Alfred Jaeger have propounded the theory.

William Ouchi made an integration of characteristics of American organisations 'Type A' and Japanese organisations 'Type J'. The integrated theory is known as theory Z. The characteristics of the organisations are presented in Table 10.2.

Table 10.2 : Integration of Characteristics

Characteristics	Type A Organisations (American)	Type J Organisations (Japanese)
Theory Z		
Decision Making	Individual managers make decisions on group participation and consensus	Group decision making Emphasis
Responsibility	Assigned on individual basis	Shared collectively by the group
Control	Explicit and formal controls	Implicit and informal control. Based on trust and good will
Performance evaluation and promotion of personnel	Attention on informal controls and existence of explicit performance measures	
Very slow promotions. Slower promotions. Emphasis on evaluation and training than promotion		Very fast promotions. Job hopping
Career paths	Very specialised career. People stick to one area of specialisation. Very general.	
Employees are allowed to learn all areas of operations. training is given to feel that they are suitable in part of the organisation.		Very general. Job rotation and broad-based
Concern for personnel social	Concerned with work life Concern for workers whole life	Concerned with whole life, business and

Some specific characteristics of theory Z are as follows:

- i) Selection, Compensation and Promotions:** Selection of employees is considerably for a long time. The sources of selections are schools, institutions and other organisations. People of all ages are selected. Selections are based on job related formal education and specialised skills. Promotions are based on the productivity performance.
- ii) Organisation Structure:** The organisation structure is hierarchical. It emphasizes on moderate job specialisation and decentralisation, job enlargement, quality circles and matrix form of organisation. Organisations are built around groups.
- iii) Decision-Making:** Decision making is less centralised. Emphasis is on the informal and consensus opinion. Verbal communication is encouraged. Written communication is used only to verify execution of decisions.
- iv) Management Systems:** Management tries to harmonise individual and organisational goals to achieve a high degree of goal congruence. Employees are considered as valuable assets. Employees show inherent liking to work and supervision is remote. Self-controls are exercised.
- v) Employee Relationships:** High concern is shown to employee and his welfare. Relationships are paternalistic type. Employment is lifetime. Joint problem solving is followed by employer and employee.

- vi) **Human Resources Development:** Potential skills are recognised. Job enlargement and career planning are given due emphasis. Organisational socialisation, technical training, research and development are given priority.

Thus theory Z advocates establishment of motivational oriented organisational cultures with special emphasis on employee development and participative culture.

Check Your Progress C

- 1) List the motivational implications of theory x and theory y.
.....
- 2) Distinguish between the characteristics of American and Japanese organisations.
.....
- 3) Mention the characteristics relating to organisation structure, management, motivation, controls, leadership styles, decision making and communication in the following theories of motivation.

Theory X

Theory Y

Theory Z

10.4.5 ERG Theory

Clayton Alderfer propounded ERG theory of motivation. The theory is an out growth of Maslow and Herzberg's motivation theories. ERG theory is based on the concepts of existence needs, related needs and growth needs used in the model. The model assumes the following assumptions.

Assumptions

- Needs are classified into distinct categories.
- Basic distinction exists between lower and higher order needs.
- Needs proceed on a continuum rather than a hierarchy.
- Poorly satisfied need is more desired.
- Desire for satisfaction of higher order needs arise after lower level needs are satisfied.
- Motivation arises out of need frustration.
- More than one need motivate an individual.

The ERG theory has identified the needs into following three categories.

- i) **Existence Needs:** Existence needs relate to the basic survival of human beings. They are similar to the physiological and safety needs suggested by Maslow. Monetary rewards, working conditions, job security, incentives are some of the examples of existence needs.
- ii) **Related Needs:** individual has a natural desire to develop social relationships. He wishes to belong with others and develop friendship and warmth relationships. He gives importance to interpersonal belongingness. He wants to identify and get recognition for himself. These needs are related needs. These needs are similar to social and esteem needs enunciated by Maslow.

- iii) **Growth Needs:** Individual has an intrinsic desire to grow in organisational career and in his personal life. He wishes to grow beyond his potential and learn new skills and capabilities. These are growth needs. They are similar to self-actualization needs suggested by Maslow.

According to ERG theory, all the three needs may operate simultaneously. The theory propounded a new dimension known as 'frustration regression'. Accordingly, a person tries to satisfy a lower order need, if he is frustrated with satisfaction of a higher order need. Therefore, unsatisfied higher order need brings back to lower order need. Thus, The concept of need satisfaction arising out of frustration is the basic concept of ERG theory. The theory made the following propositions:

- Individual intends to satisfy a need, when he feels deprived of satisfying it. Therefore, deprivation is motivation.
- Needs are not satisfied in an order as suggested by Maslow. For example, an employee may have strong desire to occupy a higher position because of his higher qualification, even before he satisfied basic needs.
- Two relationships are important to understand motivation. One is relationship between satisfaction and motivation and the second is the relationship between frustration and motivation. An example makes this clear. Giving promotion motivates an employee who has been deprived of promotion. This is motivation from frustration. Having promoted, employee will be motivated towards unsatisfied need. As such he works hard to realise his potential to get the next promotion.

ERG theory is applicable to work motivation. The theory has been considered workable and realistic. This approach provides a clear understanding of human behaviour by recognising individual differences. The theory lacks adequate empirical research support. It was questioned on the universal applicability.

Check Your Progress D

- 1) List the assumptions and proposition of ERG theory.

.....

- 2) Mention the similarities and dissimilarities in the needs stated in the following theories.

Need Hierarchy Theory

Two Factors Theory

ERG Theory

10.4.6 McClelland Theory of Need

David C McClelland advocated achievement motivation theory. It is also known, as three needs theory. Let us learn them in detail.

- i) **Need for Achievement:** It is the desire to excel, to achieve in relation to a set of standards. According to the theory, certain people have inner urge to succeed and do something different from others. This is achievement goal. Thus, employees possessing an inner desire to achieve derive satisfaction from achieving goals. Therefore, challenging goals become motivators. People with high need for achievement are high achievers. The characteristics of high achievers are as follows:

- Monetary rewards do not motivate high achievers.

- High achievers create situations in which they can attain personal responsibility for finding solutions to problems.
- They always set moderately challenging goals in order to prevent dissatisfaction. At the same time, they are not satisfied with easy tasks.
- High achievers do not depend on chance. They assume responsibility.
- They are willing to work independently. They wish to establish relationship between their effort and success.
- They always wish to overcome the difficulties by themselves.

According to McClelland need for achievement does not spring from individuals internally. It can be developed and learnt. The theory suggested certain techniques for enhancing achievement motivation. They are described below:

Feedback: Feedback is the process of providing information to the employees. Regular comments on the employee's performance enable them to assess their performance and learn from their mistakes. This helps them to set challenging goals.

Model Building: Employees who are high achievers can be shown as models. Employees attaining challenging goals are selected and their characteristics are told to others. This allows other employees to emulate the characteristics of the model employees. This provides an opportunity to develop high achievement oriented goals.

Job Redesign: One way to develop achievement motivation is to redesign the tasks by adding additional responsibility and setting challenging goals. If jobs are very easy to achieve, employees do not feel motivated. Similarly, employees who are unable to attain difficult jobs feel frustration and de-motivation. Therefore, jobs should be designed to provide moderately challenging goals. In addition, jobs should be made independent. Therefore, employees feel autonomy in realisation of goals. The job should be redesigned in such a way that the outcome of the job is measurable and employee's contribution is identifiable. This provides contentment to the employees.

Attitude Change Management: Since, McClelland states that achievement motivation can be taught. Employees' attitude should be changed to think positively, innovative and imaginative. This enhances their achievement motivation.

Measurable Outcomes: As you know that high achievers believe in personal success. They wish that outcomes should be measurable and identifiable to their individual performance. This provides identity to employee's skills and performance which leads to achievement motivation.

Therefore, the theory stated that enhancing employee's achievement potentials could motivate them. At the same time, McClelland stated that need for power and need for affiliation influence motivation.

- ii) **Need for Power:** Certain people derive satisfaction by exercising control over others. They believe that they have ability to control others. They desire that means to achieve goals should be related to the exercise of power. The individuals with high need for power prefer competitive and status oriented situations.
- iii) **Need for Affiliation:** It is the desire for friendly and close interpersonal relationships. McClelland suggested that need for affiliation is based on the concept of belongingness needs advocated by Maslow.

Affiliation oriented individual's exhibit high preferences towards inter-personal relationships, establish psychological contact with others and crave for social acceptance. They always strive for friendship and prefer cooperative situations. They desire relationships involving high degree of mutual understanding.

Therefore, the theory states that a relationship oriented climate, inter personal understanding and inter personal communication develops motivation. Some of the propositions of the theory derived from experimental research can be stated as follows:

- High achievers will be strongly motivated when they find the job offering personal responsibility, feedback and moderate degree of risk in achieving goals.
- High achievement motivation leads to success in entrepreneurial careers. They are successful in running their own business.
- Managers with high achievement needs are not successful managers in large organisations. They are best suited to perform the jobs independently. According to McClelland, the two essential ingredients of managerial success, especially at the higher levels in an organisation are emotional maturity and a democratic coaching style of managers.
- Need for affiliation and need for power is closely related. Successful managers possess high need for power and low need for affiliation.
- High power motive is a requirement for managerial success.
- As individuals climb higher in the hierarchy, their need for power increases.
- Training can stimulate achievement need in employees.
- Individuals are motivated to succeed, and this motivation stems from achievement or power needs. Thus, it is important for an individual to believe that his effort will result in successful performance which brings reward.

Achievement motivation theory propounded by McClelland has been considered as more practicable theory than Maslow and Herzberg's theories. The concept of overlapping needs has significance for organisations in designing motivational strategies. Similarly recognising that achievement needs could be created through training has brought new dimension in managerial motivation.

10.4.7 Expectancy Theory

Victor Vroom propounded Expectancy theory to explain motivation. It is a process theory. It explains that motivation is a process of eliciting a positive satisfaction. The central concept of the theory is that individual is motivated and the strength of his action depends on close association between his preference to a specific outcome and the actual outcome. He stated that motivational force is the sum of the product of valence and expectancy. The theory established relationship between effort, performance and rewards. They are explained hereunder:

- Effort-Performance Relationship:** It is the probability perceived by the individual that exerting a given amount of effort leads to performance.
- Performance-Reward Relationship:** This is the degree to which the individual believes that performing at a particular level will lead to the attainment of a desired outcome.
- Rewards-Personal Goals Relationship:** It is the degree to which organisational rewards satisfy an individual's personal goals or needs and the attractiveness of those potential rewards for the individuals

These three relationships are referred to as valence, instrumentality and expectancy. Thus, the theory is also known as VIE theory of motivation. The concepts used in the theory are explained below:

Valence: Valence is the strength of an individual's preference for a particular outcome. Every individual believes that his effort leads to certain definite outcome. This is expected utility or value. The greater the strength or the expectation of the outcome the greater would be the level of motivation. For instance, if an employee believes that working hard and producing better leads to payment of bonus, he will work hard to get more bonus. Thus, valence can be positive or negative. It is positive when employee has a strong preference to reward. It will be zero if he is indifferent. Similarly, it will be negative if employee does not prefer to attain the outcome.

Instrumentality: Instrumentality refers to the strength of the belief about the certainty of outcome. Thus, it is the expression of probability between performance and reward. This varies between ± 1 . The performance reward relationship is positive, in case of positive instrumentality and *vice versa*. Employee tries to estimate the probability about the reward associated with performance. For example, instrumentality is high when employee feels certainty of bonus. If he is doubtful about the payment of bonus, instrumentality will be low.

Expectancy: Expectancy is the belief that effort will lead to outcome and performance. Therefore, expectancy determines the strength of performance rather than the outcome. It is based on the self-efficacy. Employee with a high level of self-efficacy are more likely to believe that exerting effort will result in satisfactory performance. A high level of self-efficacy has high expectancy, while low level of self-efficacy has low expectancy. Persons suffering from low level of self-efficacy exhibit a phenomenon known as 'imposter phenomenon'. This means that individuals are capable, as they appear to be. They are afraid of their inferiority, which may be revealed in public if they exert high effort. Imposters have low expectancy, as they believe that they lack the necessary competence. Expectancy is evaluated as a probability. It varies from 0 to 1. Zero is associated with complete uncertainty. As the performance is assured the expectancy rises and it will be high if the performance is certain. It is interesting to note that both internal and external environment influence expectancy. Other factors influencing expectancy are: personality, self-efficacy, experience, learning and perception. Thus, motivation is also influenced by these factors.

Thus according to expectancy theory, motivation is the result of the sum of the products of valence, instrumentality and expectancy. It can be stated in the form of the following mathematical formula.

$$\text{Motivation} = \Sigma (\text{Valence} \times \text{Instrumentality} \times \text{Expectancy})$$

It should be observed here that all the variables are multiplicative in nature. They are not additive. Therefore, the following propositions can be made.

- Motivation is positive only when all variables are positive.
- Motivation is negative when all or any one of the variables is negative.
- Motivation is zero even when any one of the variables is zero.
- Motivation is also low even when any one of the variables is low.

The relationship among various variables in the expectancy model and the impact on motivation can be shown in Table 10.3.

Table 10.3 : The Level of Motivation

Valence	Instrumentality	Expectancy	Motivation
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High	High	High	Strong motivation
Low	High	High	Moderate motivation
High	Low	High	Strong avoidance
Low	Low	High	Moderate avoidance
High	High	Low	Moderate motivation
Low	High	Low	Weak avoidance
High	Low	Low	Moderate avoidance
Low	Low	Low	Strong avoidance

Expectancy theory has brought new dimensions to understand motivation. Managers can motivate employees by manipulating any one of the factors in a positive way and avoiding negative ways. However, expectancy theory has introduced complex and critical variables, hence its understanding is difficult.

Check Your Progress E

1) Write the four proposition of Expectancy theory.

.....

2) Mention the mathematical characteristics of valence, instrumentality and expectancy.

.....

10.4.8 Porter and Lawler Theory

Porter and Lawler have developed more comprehensive model of motivation. This theory is also known as performance-satisfaction theory of motivation. The model of motivation emerges based on the assumptions of content theories of motivation. The content theories have assumed that satisfaction leads to performance and dissatisfaction limits the performance of individuals. Porter and Lawler model is an out growth of Victor Vrooms' model of motivation. The assumptions of Porter and Lawler model of motivation are as follows:

Assumptions

- Motivation is not equal to satisfaction or performance.
- Motivation, satisfaction and performance are independent variables but there exists some relationship.
- The relationships between motivation and satisfaction can be expressed diagrammatically rather than mathematically.
- More than valence and expectancy, some more variables and the cognitive process play a major role in determining the motivation.

Motivation model suggested by Porter and Lawler is a multi-variable model and explains the complex of relationship among motivation, performance and satisfaction. According to the model, motivation is the result of effort when abilities, traits and role perceptions accompany it. Rewards and the perception of rewards determine satisfaction of an individual. Thus, Porter and Lawler model is concerned about the result of performance. It suggested that performance leads to satisfaction.

The concepts of the model are described below:

Value of Rewards: Individual evaluates the reward that he is likely to receive after the performance of a task. The value can be expressed in monetary terms or non-monetary terms.

Perceived Effort Reward Probability: Individuals place a probability of the reward for the effort. The perception determines the effort. If individual perceives greater probability for the reward, his effort will be greater.

Effort: It is the effort individual intended to put in relation to the rewards perceived by him.

Abilities and Traits: Individual's effort depends on his intrinsic ability and the characteristic traits possessed by him.

Role Perception: Role is the expected way of behaviour of an individual. The way he perceives his role in the organisation determines his motivation.

Performance: It is related to the accomplishment of tasks or achieving the goals. Individuals who are properly motivated show greater performance.

Intrinsic Rewards: The reward that comes within the job is called intrinsic reward. It is received when the job is performed. Recognition, esteem, responsibility etc. are intrinsic rewards.

Extrinsic Rewards: The rewards that are received after the job is completed is known as extrinsic rewards. For instance, salary, fringe benefits, incentives are some of the examples for extrinsic rewards.

Perceived Equitable Rewards: Individuals' feeling that the reward is fair and equitable to the effort determines the individuals' willingness to put forward his effort. A positive perception about the fairness of reward leads to greater effort and *vice-versa*.

Satisfaction: This is the outcome of the process. It is the degree of contentment that individual feels about the job. Satisfaction is an intangible aspect. It can only be measured in terms of expressions and emotions. If individual is satisfied, he will show greater performance on the job.

This model suggests that the organisation should evaluate and redesign the policies relating to the motivation. It also suggests that the level of satisfaction and level of performance are to be related to elicit greater performance on the job. Thus, the model is considered to have greater impact in understanding the relationship between performance and satisfaction. The model suggests the following guidelines for motivating the employees.

- i) **Job Placement:** Individuals' abilities and personality traits should be matched with the requirements of the job. A best fit between perceived attitudes and the job provides best motivation. Thus, the principle of right person in the right job should be followed. A misfit de-motivates the employees.
- ii) **Job Role Specification:** Organisations should provide clear communication to clarify the roles of employees. It should be ensured that the employees have clearly understood their jobs, responsibilities, rewards and outcomes. The expectations of the organisation should be communicated to the employees in a clear and unambiguous manner.
- iii) **Job Rewards:** Employees should be made clear about the rewards they will receive from the completion of the job. They should also value these rewards and perceive that the rewards are beneficial to them.

Apart from these, the following suggestion would also help the managers in motivating the employees. These suggestions are related to the relationship between motivation and performance and performance and satisfaction. They are depicted in Table 10.4.

Table 10.4 : Relationship between Performance and Satisfaction

Relationship between motivation and satisfaction	Relationship between
<ul style="list-style-type: none"> ● Clarify all doubts about ability, skill or knowledge ● Remove ambiguity in the job requirement ● Provide interdependence of the job with other people or activities ● Clarify physical or practical possibility of the job ● Determine the rewards that each employee values ● Define the desired performance ● Make the desired performance attainable ● Link valued rewards and performance 	

Check Your Progress F

- 1) List the variables in Porter and Lawler motivation model.
- 2) Mention 4 relationship dimensions between motivation and satisfaction.

10.5 MANAGERIAL APPROACHES TO MOTIVATING EMPLOYEES

You have learnt the concept of motivation and various theories of motivation. The environmental factors and other considerations influence the application of motivational strategies. There are variations across organisations and individuals in the application of motivation. Even within the organisation, there are variations at different levels in the managerial hierarchy. The commonly used approaches to motivate employees are discussed below :

Money is a Powerful Motivator: Money is a powerful motivator even in the modern day society. It is believed that social status, position, power, prestige, recognition etc. are associated with money. Employees receiving higher salary can lead luxurious life and commands respect from society. Organisations use financial incentives to motivate employees. Some of the financial approaches to motivate employees include : variable pay packages, piece rate plans, incentives based on the performance, profit sharing plan, gain sharing schemes, skill based incentive schemes, and knowledge based financial incentive plans and flexible benefits.

Job Re-design: Job redesign is one of the strategies to motivate employees in organisations. Some job redesign techniques include : job enlargement, job enrichment and job rotation. Job enlargement is adding more tasks and job responsibilities. Thus, providing an opportunity to employees to spend more time on the job and still feel comfortable. Job enlargement motivates employees as they are allowed to perform variety of tasks. The work modules are made meaningful. Job redesign allows scope for utilisation of abilities and provides feedback. Job enrichment is enriching the jobs by adding motivators such as challenging goals, creativity and innovative process, making it more exciting and incorporating growth opportunities in the job. This motivates employees and provides satisfaction. Job rotation is another strategy. It involves changing the employees from one job to another job.

Involvement of Employees : Participation in management decisions have been proved as an effective way of motivating employees. Participation allows employees to express their views. It helps in developing

greater communication among superiors and subordinates. Employees develop a feeling that their suggestion is accepted in the process of decision making. It improves acceptance of decisions and acts as a motivating force. Some commonly used participation schemes are allowing representative participation, quality circles and employee ownership plans commonly known as Employee Stock Option Plan. (ESOP)

Quality of Work Life (QWL): Quality of work life is relatively new concept that received attention of the managers today. It has different meaning to different people. As a motivation technique it includes : provision of adequate and fair compensation and safe and healthy work environment, continuous effort of employees development, provision of growth potentials in the job, protecting self esteem, creating a sense of identity, up-keeping self respect, equity and dignity of employees and integration of job with family life.

Management by Objectives (MBO): Management by objectives is technique of allowing setting the goals by participation and actively involving manager and subordinates at every level. This allows them to feel personal responsibility and a sense of achievement.

Performance Appraisal: Performance appraisal is a technique of assessing the employee performance at regular and continuous intervals in order to appraise their abilities. It helps in appraising the merits and deficiencies of employees performance. This appraisal suggests feedback to employees and they are allowed to overcome their deficiencies.

Check Your Progress G

- 1) Enumerate the techniques for enhancing achievement motivation.

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- 2) What do you mean by need for affiliation?

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.....

- 3) How employee's involvement motivates the employees.

.....
.....

- 4) How quality of work life motivates the employees.

.....
.....

10.6 LET US SUM UP

Motivation is defined as an act of stimulating someone to secure commitment towards a desired course of action. Motivators are those inducements, which make the individual direct his energy. As motivation is a complex process, its understanding is a difficult task. For the purpose of understanding the motivation, a number of theories have been proposed. Maslow propounded need hierarchy theory of motivation. He has classified needs as basic needs, safety needs, social needs, esteem needs and self-actualization needs. According to him, motivation comes from unsatisfied need. Fredrick Herzberg found that two factors determine motivation and satisfaction of employees. He has identified hygiene and motivational factors. The company policy and administration, supervision, relationship with superior, work conditions, salary, relationship with peers, personal life, relationship with subordinates, status and security are hygiene factors, achievement, recognition, work itself, responsibility, advancement and growth are motivators. According to the theory hygiene factors prevent dissatisfaction and motivators alone help in motivating employees.

McGregor formulated certain assumptions about human nature and suggested theory X and theory Y. Theory X assumes that average human being dislikes work. Hence, coercion, financial rewards, punishments motivate him. Inculcating a sense of belongingness and self-control can motivate employees as theory Y assumes that average human being learns to accept responsibility. William Ouchi tried to integrate the characteristics of American and Japanese organisations and formulated Z theory. The theory identified distinctions between American and Japanese organisations with respect to decision making, assumption of responsibility, exercise of control, promotion opportunities, career paths and concern for personnel. The ERG theory focuses on existence needs, relatedness needs and growth needs.

Achievement motivation theory advocated by McClelland is a break through in motivation. The theory believed that achievement motivation can be taught and learnt. The theory also identified three needs. They are need for achievement, need for power and need for affiliation. The theory states that achievement can be enhanced with the help of feedback, model building, job redesign, change of attitude and determining measurable outcomes. According to the theory managers should motivate their subordinates by manipulating relationship between motivation and satisfaction and relationship between performance and satisfaction. The expectancy theory advocates that the motivation is the result of the products of valence, instrumentality & expectancy. Porter and Lawler theory explains the complex of relationships among motivation, performance and satisfaction.

The strategies of motivating employees include : money, incentives, flexible benefits, job redesign, job enlargement, job enrichment, job rotation, and participation, quality of work life, MBO and regular performance appraisals.

10.7 KEY WORDS

Achievement Goal: Need to excel and attain challenging goals.

ESOP: Employee Stock Option Plan in which employees are given option to take equity stock in the company in lieu of monetary incentive.

Esteem: Desire to be recognised by others in the group.

Existence Needs: Needs related to the basic survival of human being.

Expectancy: The belief that effort leads to outcome and performance.

Expectancy Motivation: The sum of the product of valence, instrumentality and expectancy.

Frustration Regression: Tendency to go back to satisfy lower order needs with the deprivation of satisfying higher order needs.

Hygiene factors: Job context factors, which are environmental centred that cause satisfaction.

Instrumentality: The strength of the belief of the certainty of outcome.

Job security: Feeling that job is secured and permanent.

Motivation: A process of stimulating one's desire to produce goal directed response.

Non-financial motivators: Stimulants that appeal to individuals' psychological and emotional appeal.

Pre-potency: The strength associated with the needs.

QWL: Quality of Work Life is redesigning of all aspects of work and environment to upkeep the dignity of the employee.

Self-actualization: transformation of perception into reality by realising the full potential.

Valence: Strength of an individual preference for a particular outcome.

8.8 TERMINAL QUESTIONS

- 1) 'Non-financial motivators play a significant role in motivation'. Discuss. What are the limitations of financial motivators.
- 2) Critically examine the need hierarchy theory of motivation. Do you think that the assumptions of Maslow are hypothetical?
- 3) Distinguish between hygiene factors and motivators. Examine the applicability of two factors theory in Indian context.
- 4) Bring out the similarities and distinctions between Maslow and Herzberg's theories of motivation.
- 5) 'Theory X and Theory Y are dialectically opposite in their assumptions about the pre-dispositions of the individuals'. Discuss.
- 6) What are the characteristics of high achievers? What are the strategies of enhancing achievement motivation.
- 7) Critically evaluate the need for achievement theory of motivation.

Note : These questions will help you to understand the unit better. Try to write answers for them. Do not submit your answers to the university for assessment. These are for your practice only.

Achievement
Recognition
Work itself
Responsibility
Advancement

Inter personal relations

Company policy and administration
Working conditions
Supervision
Job security
Salary