

Management and organisational behaviour

[Business](#), [Management](#)



Enhancing workers' motivation is among the most important assignments for managers. With qualifications and motivation being two parts of the performance equation, improvement in motivation seems an easier task in the accomplishment of which most managers energetically engage. The importance of effective management of the human resource is explained by the fact that talented and empowered human capital is becoming the prime ingredient of organizational success (Kotelnikov, 2001).

With this said, quite often managers will act on the idea: "Need to increase organisational productivity? Increasing workers' salaries is always a guaranteed incentive!!" However, a rise in employees' compensation often fails to bring about the desired results and leads only to increased expenses from an organizational standpoint. This is why executives need to consider carefully various theories of motivation and evaluate their impact on their efforts to raise employee motivation. This exploration of a number of motivation theories can enable business professionals to come up with more effective solutions at enhancing productivity than simple pay raises.

Need-Based Theories: Abraham Maslow

Motivation theories are generally grouped into two distinct groupings including need-based and process theories. Need-based theories include those that concentrated on motivation driven by employees' needs and wants. They include Abraham Maslow's Pyramid, ERG Theory, Lawrence and Nohria's theory, and McClelland's Learned Need Theory (McShane, 2004).

Among Need-Based theories, Abraham Maslow's pyramid is perhaps the most famous one. This theory arranges human needs in a neat hierarchy,

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stipulating that when the needs further down to the bottom are satisfied, an individual becomes motivated by the drives of the next higher order. The rough division is the following: “ physiological, safety, social, ego, and self-actualizing” needs (Lindner, 1998).

Thus, when physiological and safety needs are satisfied, the person becomes driven by social needs, longing for love, care, and acceptance. In the hierarchical pyramid, self-actualizing needs are of the highest rank and will be revealed in all individuals who have achieved a more or less complete realization of other needs.

This theory has important implications for managers. Most importantly, it reveals that human motivation is driven by a more complex background than just money. Among motives listed by Maslow, not all can be satisfied with financial gains, no matter how big. Financial reward works well in compensating those individuals who are struggling to cover physiological and safety needs.

However, moving to social, ego, and self-actualizing needs, employees will require something more ingenious to stimulate them than just financial compensation. In this area, monetary bonuses are often welcomed as a sign of appreciation that boosts a person’s ego rather than as a way to satisfy needs. This means that managers can draw on this theory to design incentives that will stimulate the performance of their relatively higher-paid employee groups who already place social and self-actualizing needs above basic ones.

McClelland's Learned Need Theory

This is another example of a Need-Based theory that highlights some of the important human drives that can propel good professional performance. The main idea behind the theory is that some needs are learned and not innate. Among those the most important needs are need for achievement, need for affiliation, and need for power.

The first need includes “ desire for challenging and somewhat risky goals, feedback, recognition” (McShane, 2004). Managers can draw the conclusion that they have to be careful with the goals they set for employees. By setting ambitious, but achievable goals, they can create in their employees a sense of achievement that will increase their enthusiasm for work. Goals set each time one step higher than the employee's current level are a good way to balance achievement with real abilities.

Need for affiliation is defined as “ desire to seek approval, conform, and avoid conflict” and “ project a favourable self-image” (McShane, 2004).

People are motivated by the need to feel a bonding with others and maintain a positive relationship with the rest.

The manager can harness this drive by establishing a personal relationship with employees. For example, a person who is good with subordinates can use this friendship or partnership to elicit a positive response to work from them. An alternative way to use the need for affiliation is to place people in teams where the need to maintain a good relationship with others can push

people toward making an extra effort to improve team performance for the benefit of all its members.

The need for power is the most straightforward drive as it represents the “desire to control one’s environment” (McShane, 2004). This drive is certainly best realized in the managerial function. However, wide delegation of different tasks to various rank-and-file members can augment their sense of power and control and in this way stimulate their performance.

Gellerman (1992) also refers to “power” and “achievement” motives as the motives that drive winners’ performance. Individuals struggling for achievement are motivated by internal agenda, “a process that occurs inside their own heads” and “consists of setting and then pursuing their own goals” (Gellerman, 1992, p. 20). In contrast, those following the power motive are more propelled by their external environments.

Stahl (1986), after testing McLelland’s theory in various employee groups, arrived at the conclusion that the three drives are unequally represented in various groups. Thus, “senior executives were found to be the lowest scoring group in n Aff [Need for Affiliation] among all the samples in this book, with an average n Aff percentile of 15 percent” compared to blue collar workers’ average of 70% (Stahl, 1986, p. 117).

On the contrary, executives scored the highest in the need for power, along with colonels at the Air War College. The need for achievement was most strongly expressed by scientists and engineers. The above findings suggest that a manager needs to take into consideration the needs of particular

groups and design incentive systems in consideration of the diversity of needs in various groups.

Scientists may need a greater recognition effort, while blue-collar workers may be in need of more expression of gratitude and approval. In any case, the consideration of McClelland's theory reveals that money cannot be the only driver, and the management needs to account for a wide range of motivators, also considering their category and what is most typical of this particular group.

The same refers to the strength of drives across cultures. Individualistic cultures may be more driven by the need for achievement, while in collectivist cultures the need for affiliation is likely to play a greater role. However, this trend is likely to result in a unique combination of needs and drives present in each specific nation that can have an individual "motivation portrait". This diversity of needs and connection between culture and motivation is another reason why reliance on one way of motivation, financial compensation, is ineffective. A multinational organization would do well to adjust its motivation strategy to its particular region it operates in, and those working in multicultural environments within one country have to attempt to account for diversity of their workforce in the design of their incentives.

Expectancy / Equity Theory

Expectancy / Equity Theory advanced by Victor Vroom is an example of process theories. It claims that motivation will be determined by a

combination of effort, performance, and attractiveness of the reward. To be motivated, an employee should perceive the reward as achievable and the reward as desirable. In fact, there are three questions to be asked in order to define motivation:

How hard will I have to work? (Effort)

What is the reward? (Performance)

How attractive is the reward? (Attractiveness) (Sharma, 1995)

Rewards are separated into positive and negative ones, while “ the more positive the reward the more likely the employee will be highly motivated” (Lindner, 1998). The same correlation is true for negative rewards where a more negative reward will discourage performance.

The role of the management in the light of this theory is to establish clear links between effort and performance, on the one hand, and performance and reward, on the other hand. This will stimulate employees’ effort progress in the right channel. The correct determination of the reward is the crucial step in this process. Managers need to realize what the most important motivator for their staff is and act accordingly. Money can be this motivator in a number of cases; however, not in all. Alternative motivators can be approval of performance, promotion to a higher position, broadening of responsibilities, enrolment in training courses or formal evening education (such as MBA program), and so on.

In any case, an employee should be expected to make an effort to achieve the reward – it should not be “granted” as such. A simple rise in salaries will not accomplish the task since an individual has to strive to achieve an increase in compensation via making an extra effort. Lindner (1998) suggests a scenario according to which employees are stimulated to do extra fundraising activities and told that “employees who are successful in securing funds will be given more opportunities to explore their own research and extension interests (interesting work)”. In this situation, there is a greater stimulus for employees to put extra effort in securing additional funding sources.

Conclusion

Employee motivation is a complex area, but its exploration is essential for any manager willing to achieve workable results in organizational productivity. Individuals in their workplaces are motivated by a variety of needs and drives. Recognition of these needs will enable managers to accomplish the goal of enhancing organizational performance, relying on a carefully designed incentive system combining a variety of stimuli appropriate for different employees.

Incentives should be selected with consideration of group specificities, cultural variation, and individual differences. This shows that one-size-fits-all policy of raising salaries expecting a simultaneous rise in performance is hardly effective. Money is only one of possible motivators that can inspire individuals and, to be effective, it should be clearly linked to performance.

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