

Motivation-III

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Contemporary Theories: Locke's Goal-Setting Theory

- ▶ Basic Premise:
 - That *specific* and *difficult* goals, with *self-generated feedback*, lead to higher performance
- ▶ Difficult Goals:
 - Focus and direct attention
 - Energize the person to work harder
 - Difficulty increases persistence
 - Force people to be more effective and efficient
- ▶ Relationship between goals and performance depends on:
 - Goal commitment (the more public the better!)
 - Task characteristics (simple, well-learned)
 - Culture (Self-efficacy)

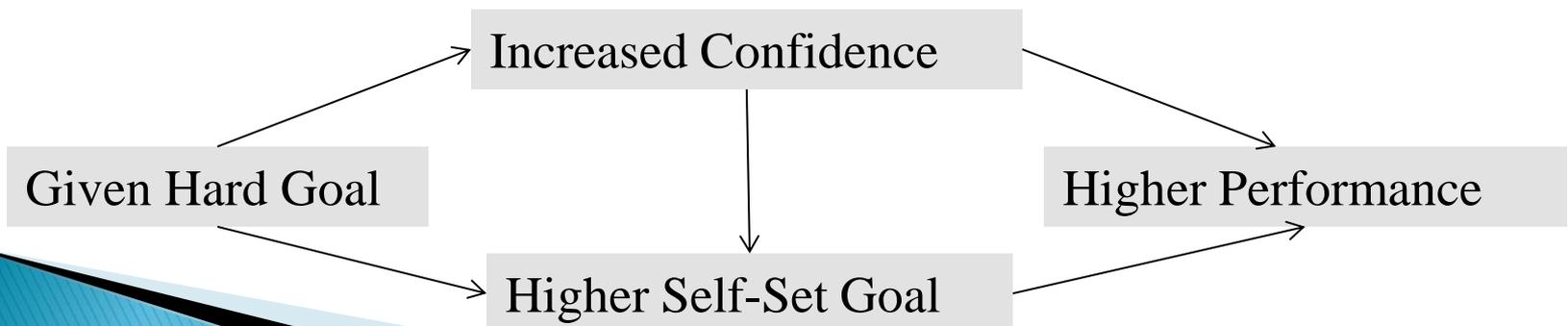
Goal Setting and MBO

- ▶ MBO is a systematic way to utilize goal-setting.
- ▶ Goals must be:
 - Tangible
 - Verifiable
 - Measurable
- ▶ Corporate goals are broken down into smaller, more specific goals at each level of organization.
- ▶ Four common ingredients to MBO programs:
 - Goal specificity
 - Participative decision making
 - Explicit time period
 - Performance feedback

Goal setting and Self-Efficacy

Self-Efficacy: An individual's belief that he or she is capable of performing a task.

- Higher efficacy is related to:
 - Greater confidence
 - Greater persistence in the face of difficulties
 - Better response to negative feedback (work harder)
- Self-efficacy complements Goal-Setting Theory



Reinforcement Theory

- ▶ Similar to Goal-Setting Theory, but focused on a behavioral approach rather than a cognitive one
 - Behavior is environmentally caused
 - Thought (internal cognitive event) is not important
 - Feelings, attitudes, and expectations are ignored
 - Behavior is controlled by its consequences – reinforcers
 - Is not a motivational theory but a means of analysis of behavior
 - Reinforcement strongly influences behavior but is not likely to be the sole cause

Equity Theory– J. Stacy Adams

- ▶ The idea is that employees compare their ratios of outcomes to inputs of others they see as relevant.
 - When ratios are equal: state of equity exists – there is no tension as the situation is considered fair
 - When ratios are unequal: tension exists due to unfairness
 - Underrewarded states cause anger
 - Overrewarded states cause guilt
 - Tension motivates people to act to bring their situation into equity

There can be four referent comparisons that an employee can use:

- Self-Inside
 - The person's experience in a different job in the same organization
- Self-Outside
 - The person's experience in a different job in a different organization
- Other-Inside
 - Another individual or group within the organization
- Other-Outside
 - Another individual or group outside of the organization

Reactions to inequity

- ▶ Employee behaviors to create equity:
 - Change inputs (Ex–Don't exert much effort)
 - Change outcomes (Ex–increase output of lower quality)
 - Distort/change perceptions of self (Ex–Impression of Working harder)
 - Distort/change perceptions of others (Ex–Somebody is not deserve the esteem, which was there earlier)
 - Choose a different referent person (Ex– Doing better than somebody else)
 - Leave the field (quit the job)
- ▶ Propositions relating to inequitable pay:
 - Paid by time:
 - Overrewarded employees produce more
 - Underrewarded employees produce less with low quality
 - Paid by quality:
 - Overrewarded employees give higher quality
 - Underrewarded employees make more of low quality

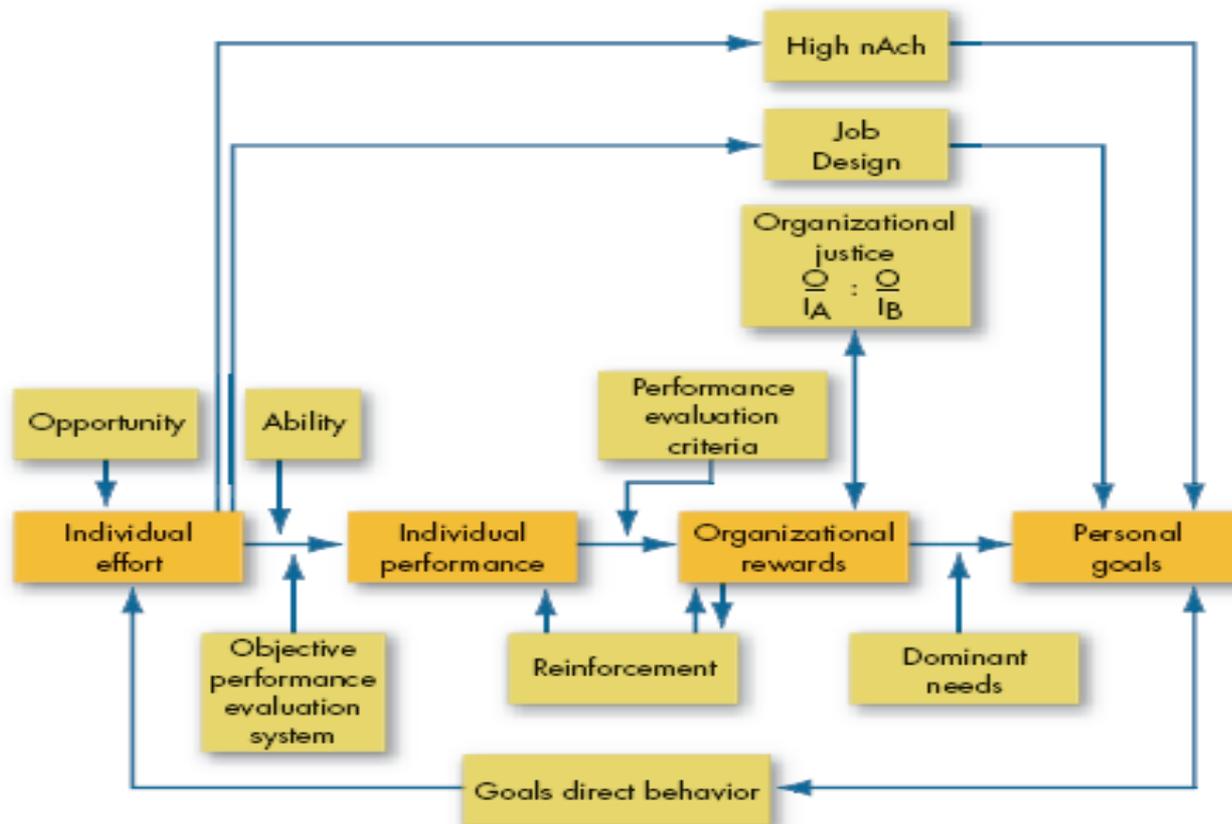
Expectancy theory– Victor Vroom

- ▶ The strength of a tendency to work in a certain way depends on the strength of an expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual.



Integrating Contemporary Motivation Theories

- ▶ Based on Expectancy Theory



Global Implication

- ▶ Motivation theories are often culture-bound.
 - Maslow's Hierarchy of Needs Theory
 - Order of needs is not universal
 - McClelland's Three Needs Theory
 - nAch presupposes a willingness to accept risk and performance concerns – not universal traits
 - Adams' Equity Theory
 - A desire for equity is not universal
 - “Each according to his need” – socialist/former communists
- ▶ Desire for interesting work seems to be universal.
 - There is some evidence that the intrinsic factors of Herzberg's Two-Factor Theory may be universal

Summary and Managerial Implications

- ▶ Need Theories (Maslow, Alderfer, McClelland, Herzberg)
 - Well known, but not very good predictors of behavior
 - ▶ Goal-Setting Theory
 - While limited in scope, good predictor
 - ▶ Reinforcement Theory
 - Powerful predictor in many work areas
 - ▶ Equity Theory
 - Best known for research in organizational justice
 - ▶ Expectancy Theory
 - Good predictor of performance variables but shares many of the assumptions as rational decision making
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- ▶ Organizational Behaviour by Stephen P. Robbins, Timothy A. Judge and Neharika Vohra, 15th ed, Pearson
 - ▶ Organizational Behaviour by Fred Luthans, 8th edition, Irwin McGraw–Hill
 - ▶ Organizational Behaviour by K. Aswathappa, 9th Revised Edition, Himalaya Publishing House
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