

Motivation And Leadership

Motivation

- ❖ *Motivation means incitement or inducement to act or move.*
- ❖ *In business context, it means the process of making subordinates to act in a desired manner to achieve certain organizational goals.*
- ❖ *According to Fred Luthans, "Motivation is a process which begins with a physiological or psychological need or deficiency, which triggers behavior or a drive that is aimed at a goal or incentive."*

❖ While discussing about motivation, we need to understand three inter related terms — motive, motivation and motivators.

❖ **Motive** - A motive is an inner state that energizes, activates or moves and directs behavior towards goals. Motives arise out of the needs of individuals.

❖ **Motivation** - motivation is the process of stimulating people to action to accomplish desired goals. Motivation depends upon satisfying needs of people.

❖ **Motivators** - Motivator is the technique used to motivate people in an organization. Managers use diverse motivators like pay, bonus, promotion, recognition, praise, responsibility etc., in the organization to influence people to contribute their best.

Features of Motivation

- ❖ Motivation is an internal feeling.
- ❖ Motivation produces goal directed behavior.
- ❖ Motivation can be either positive or negative.
- ❖ Motivation is a complex process

Importance of Motivation

- ❖ Motivation helps to improve performance levels of employees.
- ❖ Motivation helps to change negative or indifferent attitudes of employee to positive attitudes.
- ❖ Motivation helps to reduce employee turnover and thereby saves the cost of new recruitment and training.
- ❖ Motivation helps to reduce absenteeism in the organization.
- ❖ Motivation helps managers to introduce changes smoothly without much resistance from people.

Maslow's Hierarchy of needs theory

- ❖ Abraham Maslow, a well-known Psychologist in a classic paper published in 1943, outlined the elements of an overall theory of motivation.
- ❖ Maslow's Need Hierarchy Theory is considered fundamental to understanding of motivation.
- ❖ His theory was based on human needs. He felt that within every human being, there exists a hierarchy of five needs.
- ❖ These are:



Herzberg's two Factors Theory

❖ The **two-factor theory** (also known as **Herzberg's motivation-hygiene theory** and **dual-factor theory**) states that there are certain factors in the workplace that cause job satisfaction, while a separate set of factors cause dissatisfaction.

❖ It was developed by Frederick Herzberg, a psychologist, who theorized that job satisfaction and job dissatisfaction act independently of each other.

❖ Two-factor theory distinguishes between:

Motivators (e.g. challenging work, recognition, responsibility) that give positive satisfaction, such as recognition, achievement, or personal growth, and

Hygiene factors (e.g. status, job security, salary, fringe benefits, work conditions) that do not give positive satisfaction, though dissatisfaction results from their absence.

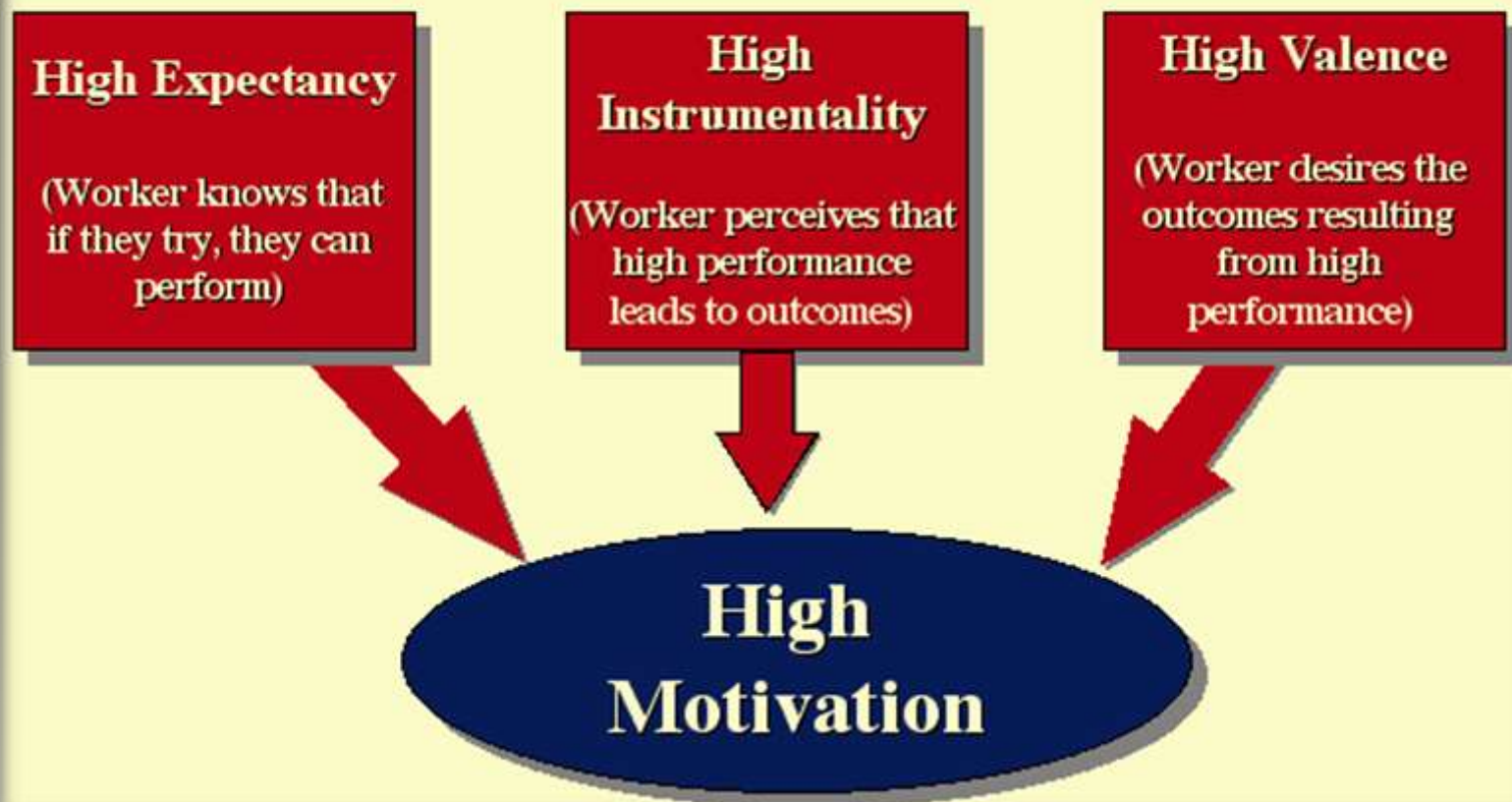


The Expectancy theory

- ❖ **Expectancy theory** proposes that an individual will decide to behave or act in a certain way because they are motivated to select a specific behavior over other behaviors due to what they expect the result of that selected behavior will be.
- ❖ Expectancy theory is about the mental processes regarding choice, or choosing.
- ❖ It explains the processes that an individual undergoes to make choices.
- ❖ In the study of organizational behavior, expectancy theory is a motivation theory first proposed by Victor Vroom of the Yale School of Management.

Expectancy Theory

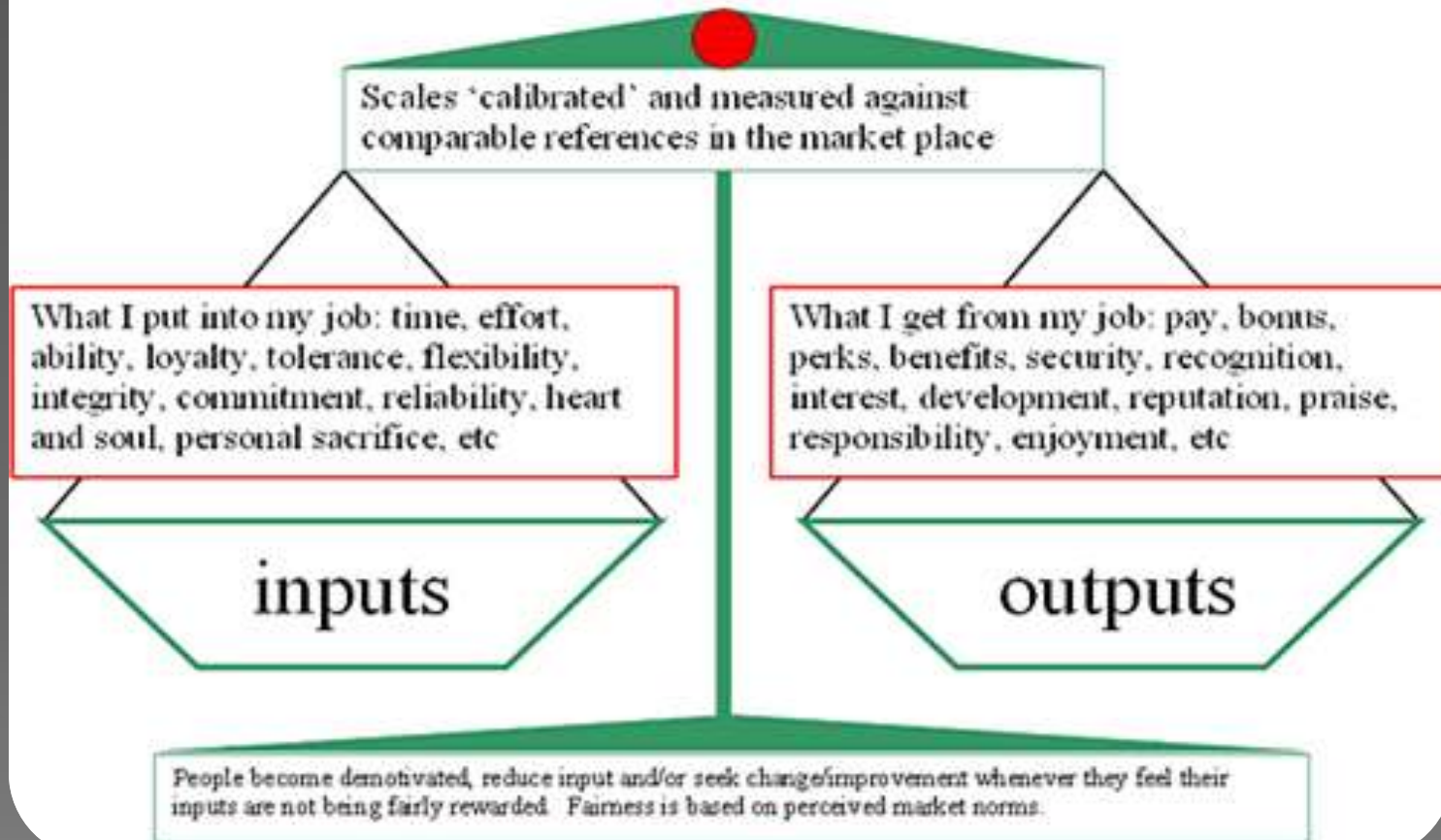
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The Equity Theory

- ❖ **Equity theory** is a theory that attempts to explain relational satisfaction in terms of perceptions of fair/unfair distributions of resources within interpersonal relationships.
- ❖ Equity theory was first developed in 1963 by John Stacey Adams, a workplace and behavioral psychologist, who asserted that employees seek to maintain equity between the inputs that they bring to a job and the outcomes that they receive from it against the perceived inputs and outcomes of others (Adams, 1965).
- ❖ The belief is that people value fair treatment which causes them to be motivated to keep the fairness maintained within the relationships of their co-workers and the organization.

Adams' Equity Theory diagram - job motivation



The Goal Setting Theory

- ❖ **Goal setting** involves establishing *specific, measurable, achievable, realistic and time-targeted* ([S.M.A.R.T](#)) goals.
- ❖ Work on the theory of goal-setting suggests that an effective tool for making progress is to ensure that participants in a group with a common goal are clearly aware of what is expected from them.
- ❖ On a personal level, setting goals helps people work towards their own objectives.
- ❖ Goal setting features as a major component of personal development literature.

S

Specific

**What, Where
How?**

A specific goal is distinct & defines as much of the goal as possible and contains no ambiguous language

M

Measurable

From and To

A measurement gives feedback and lets one know when the goal is complete.

A

Assignable

Who?

Goals must be assignable to individuals or groups

R

Realistic

Feasible?

Realistic goals are challenging yet attainable within the given timeframe

T

Time-Based

When?

Timeframe must be aggressive yet realistic



Leadership

Defination

- ❖ Leadership is the process of influencing the behavior of people by making them strive voluntarily towards achievement of organizational goals.
- ❖ Leadership indicates the ability of an individual to maintain good interpersonal relations with followers and motivate them to contribute for achieving organizational objectives.
- ❖ According to Harold Koontz and Heinz Weihrich , “Leadership is the art or process of influencing people so that they will strive willingly and enthusiastically towards the achievement of group goals”.

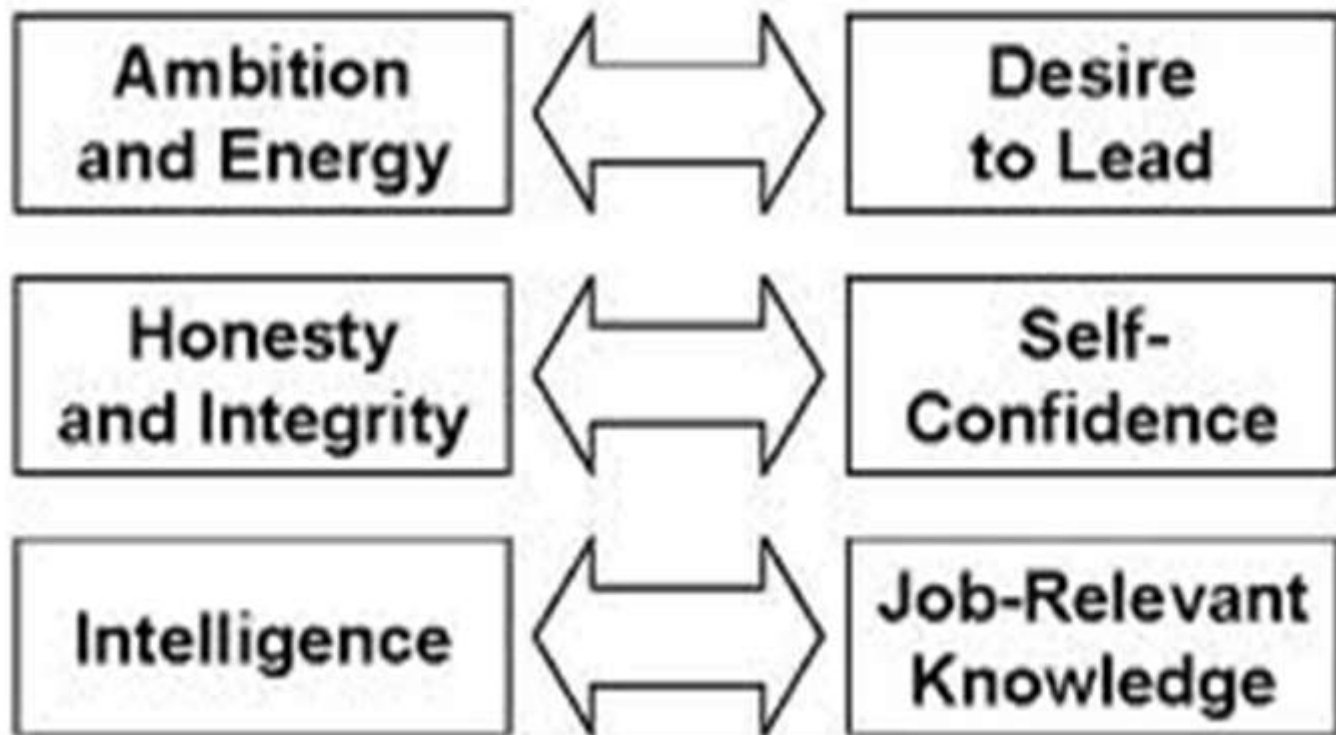
Ingredients of Leadership

- ❖ Leadership indicates ability of an individual to influence others.
- ❖ Leadership tries to bring change in the behavior of others.
- ❖ Leadership indicates interpersonal relations between leaders and followers.
- ❖ Leadership is exercised to achieve common goals of the organization.
- ❖ Leadership is a continuous process.

Trait Approach

- ❖ **Trait leadership** is defined as integrated patterns of personal characteristics that reflect a range of individual differences and foster consistent leader effectiveness across a variety of group and organizational situations (Zaccaro, Kemp, & Bader, 2004).
- ❖ The theory of trait leadership developed from early leadership research which focused primarily on finding a group of heritable attributes that differentiated leaders from nonleaders.
- ❖ Leader effectiveness refers to the amount of influence a leader has on individual or group performance, followers' satisfaction, and overall effectiveness (Derue, Nahrgang, Wellman, & Humphrey, 2011).

Trait Theories of Leadership



Charismatic Approach

- ❖ Max Weber, more than anyone, brought this idea into the realm of leadership.
- ❖ He used 'charisma' to talk about self-appointed leaders who are followed by those in distress.
- ❖ Such leaders gain influence because they are seen as having special talents or gifts that can help people escape the pain they are in (Gerth and Mills 1991: 51 – 55).

Contingency approach

- ❖ This style of leadership deals with finding the best match between a leader and a situation.
- ❖ How does the leader's style fit the context of the situation? Effective leadership is contingent on matching a leader's style to the right setting.
- ❖ Contingency theory is concerned with styles and situations and effectively matching the leader and the situation.
- ❖ In contingency theory of leadership, the success of the leader is a function of various contingencies in the form of subordinate, task, and/or group variables.

Fiedler's contingency study of leadership

- **Task-motivated leader:** Gain satisfaction from the performance of a task.
- **Relationship-motivated leader:** Gain satisfaction from interpersonal relationships.

How leaders and followers influence one another

- **Transformational leadership:** Manager and employee relationship is one of mutual stimulation.
- **Transactional leadership:** The leader engages in a bargaining relationship with their followers.

Path-goal theory of leadership

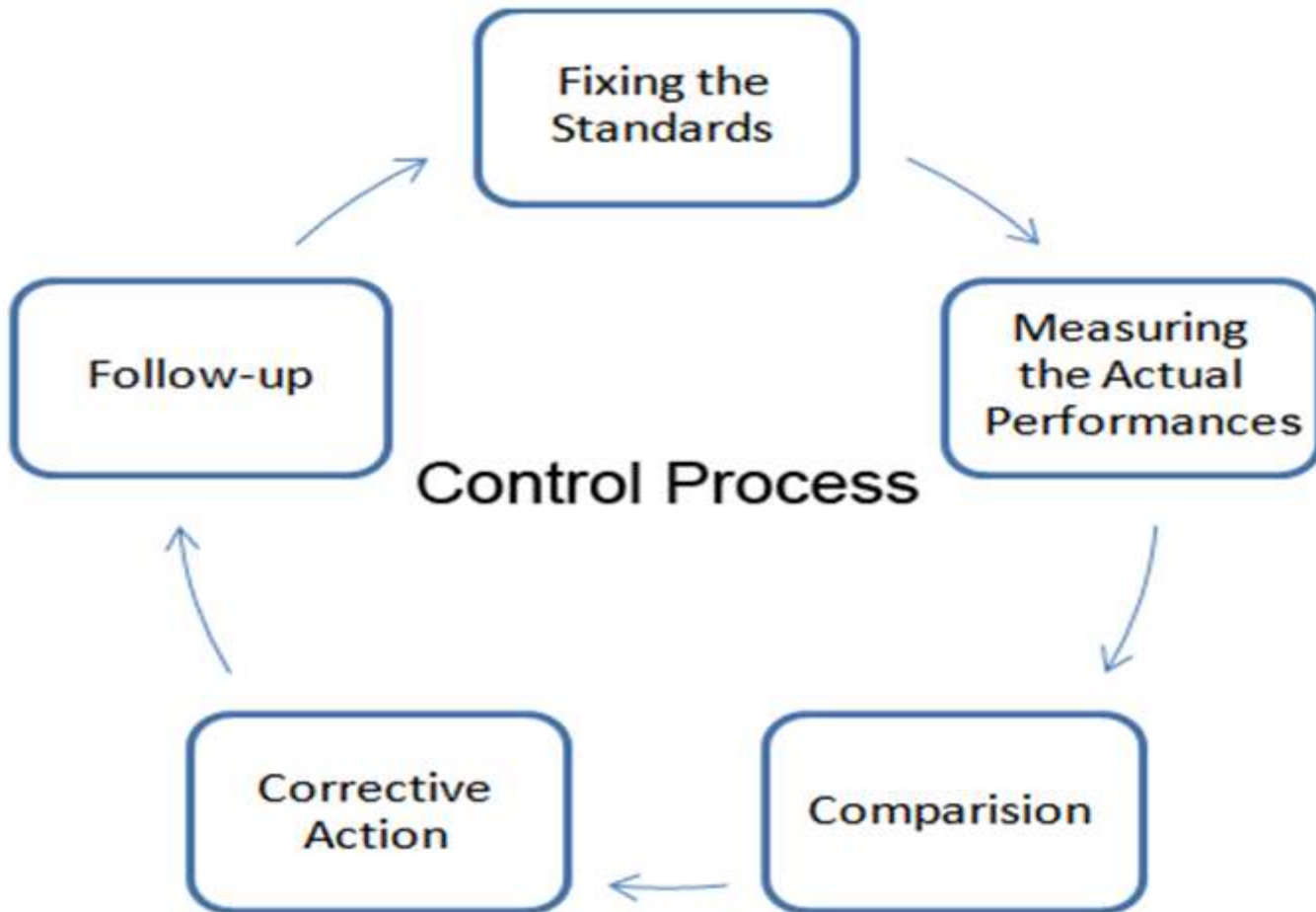
- **Role classification leadership:** Lets subordinates to know what is expected of them, gives guidance As to what should be done and how, schedules and coordinates work among the subordinates, and maintains definite standard of performance.
- **Autocratic leadership**
- **Participative leadership:** Consulting employees in the decision making process.
- **Supportive leadership:** A friendly leader who try to make a more pleasant work environment.

Controlling

Meaning

- ❖controlling means ensuring that activities in an organization are performed as per the plans.
- ❖Controlling also ensures that an organization's resources are being used effectively and efficiently for the achievement of predetermined goals.
- ❖Controlling is, thus, a goal-oriented function.
- ❖Controlling function of a manager is a pervasive function.
- ❖It is a primary function of every manager.
- ❖Managers at all levels of management- top, middle and lower-need to perform controlling functions to keep a control over activities in their areas.

Process of Control



Methods of controlling

A. Financial Control: All business organizations prepare Profit and Loss Account. It gives a summary of the income and expenses for a specified period. They also prepare Balance Sheet, which shows the financial position of the organization at the end of the specified period. Financial statements are used to control the organization. The figures of the current year can be compared with the previous year's figures. They can also be compared with the figures of other similar organizations.

Ratio analysis can be used to find out and analyze the financial statements. Ratio analysis helps to understand the profitability, liquidity and solvency position of the business.

B. Budgetary Controls: A budget is a planning and controlling device. Budgetary control is a technique of managerial control through budgets. It is the essence of financial control. Budgetary control is done for all aspects of a business such as income, expenditure, production, capital and revenue. Budgetary control is done by the budget committee

c. Auditing: Management Audit is an evaluation of the management as a whole. It critically examines the full management process, i.e. planning, organizing, directing, and controlling. It finds out the efficiency of the management. To check the efficiency of the management, the company's plans, objectives, policies, procedures, personnel relations and systems of control are examined very carefully. Management auditing is conducted by a team of experts. They collect data from past records, members of management, clients and employees. The data is analyzed and conclusions are drawn about managerial performance and efficiency

Thank You