

Class: TY BSc

Subject : Psychology of Human Behaviour at Work

Chapter: Unit 2 Chapter 2

Chapter Name: Modern theory of motivation

Today's Agenda

1. Modern theories of Motivation
2. Acquired needs theory
 1. Practical application
3. Goal setting theory
4. Theory of self efficacy
5. Reinforcement theory
 1. Applications
6. Cognitive evaluation theory
7. Expectancy theory
 1. Applications
8. Equity theory
 1. Applications

1 Modern theory of motivation

The following theories are considered contemporary or modern not only because they necessarily were developed recently, but because they represent the current state of the art in explaining employee motivation. Some of the modern theories of motivation are:-

1. Acquired Needs Theory by McClelland's.
2. Goal Setting Theory by Edwin Locke.
3. Theory of Self Efficacy by Albert Bandura.
4. Reinforcement Theory by B.F. Skinner and his associates,
5. Cognitive Evaluation Theory,
6. Expectancy Theory by Victor H. Vroom,
7. Equity Theory of J. Stacy Adams.

2 Acquired Needs Theory

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Achievement Motivation Theory, or Learned Needs theory, is a theory that is based on the notion that people's needs are acquired as they live their lives or through experiences of life. The needs are derived from the reaction to the stimuli in the external environment.

McClelland's acquired needs theory:



2 Acquired Needs Theory

1. Achievement motivation [n-ach]

According to David McClelland, people with strong 'achievement motivation' make very good leaders. Their weakness is their tendency to expect too much of their staff believing that their staff have the same achievement-focus - but of course most people aren't like this.

Features of people with Need for achievement (nAch);

- They seek personal responsibility for finding solutions to problems.
- They want to receive rapid feedback on their performance so they can tell easily whether they are improving or not.
- They can set moderately challenging goals. High achievers are not gamblers; they dislike succeeding by chance.
- High achievers perform best when they perceive their probability of success as 50-50.
- They like to set goals that require stretching themselves a little.

2 Acquired Needs Theory

2. Authority/power motivation [n-pow]

The n-pow person is 'authority motivated'. This motivational driver produces a need to be influential, effective and to make an impact. These people have a powerful need to lead and take charge and are driven towards enhancing their personal status and prestige.

Features of people with Need for power (nPow);

- The desire to have an impact, to be influential, and to control others.
- Individuals high in nPow enjoy being "in charge."
- "Strive for influence over others."
- Prefer to be placed into competitive and status-oriented situations.
- Tend to be more concerned with prestige and gaining influence over others than with effective performance.

2 Acquired Needs Theory

3. Affiliation motivation [n-affil]

The n-affil person is 'affiliation motivated' and is a team player motivated by a need to be liked and for friendly relationships and interactions with others.

Features of Need for affiliation (nAfl) are;

- This need has received the least attention from researchers.
- Individuals with a high affiliation motive strive for friendship.
- Prefer cooperative situations rather than competitive ones.
- Desire relationships involving a high degree of mutual understanding.

2.1 Practical Application of Acquired Needs Theory

There are 2 main applications of acquired needs theory :

(1) Most people don't think like us

It may seem an obvious point, and yet I have often heard CEOs and directors complaining that their managers "just don't get it".

But it is up to the change leader and his managers to define and communicate those actionable steps, and to manage people through the process of implementing and integrating those steps as the new modus operandi.

(2) Identify and work with the achievers in your team

The second application of acquired needs theory is to find the people who are achievement oriented and who have the necessary people skills - they may not always be in the obvious roles - and forge them into a small team to help lead and manage your change initiative.

3 Goal Setting Theory



Goal-setting theory of motivation states that specific and challenging goals, along with appropriate feedback, contribute to higher and better task performance.

Edwin Locke believed that goals increase motivation and performance because :-

1. Goals indicate what has to be done.
2. How much effort should be exerted to achieve the goal.

3 Goal Setting Theory

7 principles of goal setting theory are;

1. **Clarity:** It means you need to get clear on your goal. Clear goals are measurable and unambiguous. The more clarity there is when setting a goal with/for an employee, the less of a chance there is for a miscommunication or misunderstanding. This then leads to higher levels of success.
2. **Challenge:** Goal difficulty also ties to the effectiveness of goal setting. When goal attainment presents a challenge, it leads to a higher level of motivation—which, in turn, leads to a higher chance of success.
3. **Commitment:** Employees need to have a certain level of buy-in and goal commitment. If they're not committed, they're not going to have the follow-through necessary to succeed — and as a result, they won't hit their goal.
4. **Feedback:** In order for employees to successfully hit their goals, they need regular feedback. Feedback provides opportunities to clarify expectations, adjust goal difficulty, and gain recognition.

3 Goal Setting Theory

5. **Task Complexity:** If a goal feels too complex or overwhelming, it can negatively impact motivation. Instead, leaders should break down large goals into smaller, more manageable tasks.
6. **Self-Efficiency:** Self-efficiency is the individual's self-confidence and faith that he has potential. When a person performs a task, the higher the level of self-efficiency, the greater the efforts will be in the individual when they face challenging tasks.
7. **Goal Commitment:** The goal-setting theory assumes that the individual is committed to the goal and will not leave the goal.

3 Goal Setting Theory

Advantages of Goal Setting Theory

1. Goal-setting theory is a technique used to raise incentives for employees to complete work quickly and effectively.
2. Goal setting leads to better performance by increasing motivation and efforts, but also by increasing and improving the feedback quality.

Limitations of Goal Setting theory

1. At times, the organizational goals conflict with the managerial goals. Goal conflict has a detrimental effect on the performance if it motivates incompatible action drift.
2. Very difficult and complex goals stimulate riskier behavior.
3. If the employee lacks the skills and competencies to perform actions essential for the goal, the goal-setting can fail and undermine performance.
4. There is no evidence to prove that goal-setting improves job satisfaction.

4 Theory of Self Efficacy



Self-efficacy theory posits that individuals develop positive performance expectations while working on simple tasks and negative performance expectations while working on complex tasks, and that the presence of others activates corresponding positive or negative expectations regarding performance evaluation.

4 Theory of Self Efficacy

According to staples et al. (1998), the self-efficacy theory suggests that there are four major sources of information used by individuals when forming self-efficacy judgments.

4 sources of self-efficacy are:

1. Performance Accomplishments
2. Vicarious Experience
3. Social Persuasion
4. Physiological and Emotional States

4 Theory of Self Efficacy



4 Theory of Self Efficacy

How to increase self-efficacy in the workplace ?

1. Invest in training and professional development
2. Be a role model or mentor
3. Set the right strategies
4. Recognize employees

5 Reinforcement Theory



Reinforcement theory states that individual's behaviour is a function of its consequences. It is based on "law of effect", i.e, individual's behaviour with positive consequences tends to be repeated, but individual's behaviour with negative consequences tends not to be repeated.

5 Reinforcement Theory



Discuss how according to you can the managers use the reinforcement theory for improving employee motivation

5 Reinforcement Theory

The reinforcement theory of motivation aims to motivate staff through reinforcement, punishment and extinction. This theory focuses totally on what happens to an individual when he takes some action. Thus, according to Skinner, the external environment of the organization must be designed effectively and positively so as to motivate the employee.

The managers use the following methods for controlling the behaviour of the employees:

- **Positive Reinforcement-** This implies giving a positive response when an individual shows positive and required behaviour. For example - Immediately praising an employee for coming early for job. This will increase probability of outstanding behaviour occurring again.
- **Negative reinforcement-** This involves the removal of aversive stimuli to reinforce the target behavior. For example, a manager can stop assigning tedious tasks to an employee when the employee starts meeting deadlines.

5 Reinforcement Theory

- **Punishment-** Punishment means applying undesirable consequence for showing undesirable behaviour. For instance - Suspending an employee for breaking the organizational rules. Punishment can be equalized by positive reinforcement from alternative source.
- **Extinction-** Extinction implies lowering the probability of undesired behaviour by removing reward for that kind of behaviour. For instance - if an employee no longer receives praise and admiration for his good work, he may feel that his behaviour is generating no fruitful consequence. Extinction may unintentionally lower desirable behaviour.

5.1 Application of Reinforcement Theory

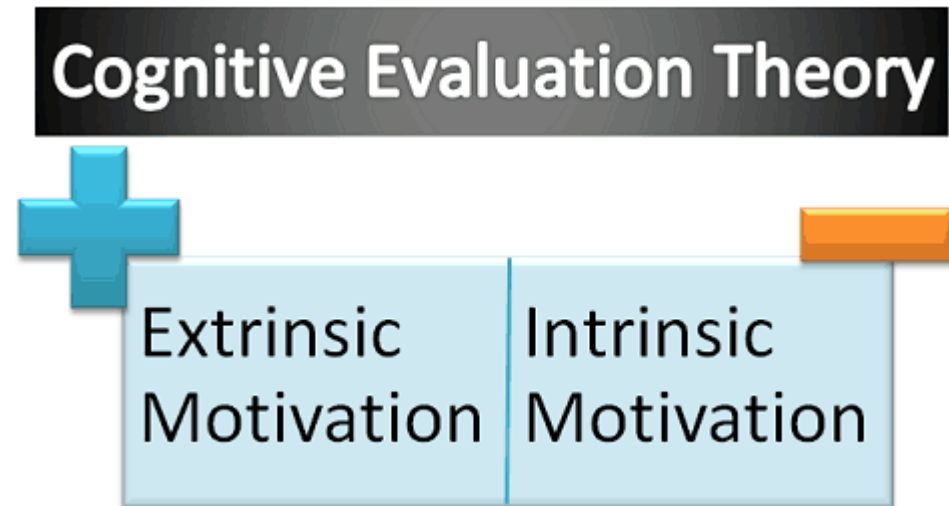
1. **Verbal Encouragement:** Verbal encouragement, is a common type of reinforcement. When a boss tells her employee that she appreciates what the worker did on the last campaign or that she recognizes how hard he has been working as of late, this feedback serves as verbal encouragement, giving the employee the motivation that he may need to continue working towards the goal.
2. **Employee Acknowledgement:** Acknowledging an employee publicly is a formal reinforcement option. In many workplaces, employees can earn employee-of-the-month prizes, recognition for going above and beyond their duties or formal acknowledgment from management for reaching a set goal. These recognitions serve as a form of positive reinforcement.
3. **Tangible Rewards:** Tangible rewards almost always prove motivating, even for adult recipients. Simple things such as company logo pens, T-shirts and desk toys can be positive reinforcement, rewarding individuals for their efforts and encouraging them to keep up the good work and continue to be valued members of the workplace team.

6 Cognitive Evaluation Theory



Cognitive evaluation theory (CET) is a theory in psychology that is designed to explain the effects of external consequences on internal motivation.

Cognitive Evaluation Theory theory suggests that there are two motivation systems; intrinsic and extrinsic which correspond to two kinds of motivators.



6 Cognitive Evaluation Theory

Intrinsic Motivators (forces that are inside themselves)

Achievement, responsibility, and competence; motivators that come from the actual performance of the task or job — the intrinsic interest of the work.

Extrinsic Motivators (forces that are outside themselves)

Pay, promotion, feedback, working conditions — things that come from a person's environment, controlled by others. One of the other of these may be a more powerful motivator for a given individual.

6 Cognitive Evaluation Theory

If the cognitive evaluation theory is valid, it should have major implications for managerial practices.

- Pay or other extrinsic rewards are to be effective motivators, they should be made contingent on an individual's performance.
- Cognitive evaluation theorists would argue that this will tend only to decrease the internal satisfaction that the individual receives from doing the job.
- If correct; it would make sense to make an individual's pay non-contingent on performance to avoid decreasing intrinsic motivation.

7 Expectancy Theory



The theory states that the *intensity of a tendency to perform* in a particular manner is dependent on the *intensity of an expectation* that the performance will be followed by a definite outcome and on the appeal of the outcome to the individual.

7 Expectancy Theory

The Three Variables of the Expectancy Theory

- How much an individual wants a reward (**Valence**)
- The assessment that the likelihood that the effort will lead to expected performance (**Expectancy**)
- The belief that the performance will lead to reward (**Instrumentality**)



7 Expectancy Theory

The expectancy theory concentrates on the following three relationships:

Effort-performance relationship: Expectancy believes that if you work hard and put in a lot of effort (E), you will achieve the targets set for you by your manager. In other words, you're looking to use effort to enhance your performance (P). So, expectancy is $E \rightarrow P$.

Performance-reward relationship: Instrumentality believes that when someone works to achieve targets, their performance (P) will be rewarded for achieving those goals. This outcome (O) can be the basis of good performance. Hence, $P \rightarrow O$.

Rewards-personal goals relationship: Valence is the value that the employee perceives for his hard work and good performance, resulting in an outcome (O), leading to the reward (R). If the employee believes that the outcome might result in the compensation deemed worthy for his/her effort, this might result in the employee being motivated enough to perform well. Hence, the final piece of the expectancy variable is $V(R)$.

7.1 Applications of Expectancy Theory

- The managers can correlate the preferred outcomes to the aimed performance levels.
- The managers must ensure that the employees can achieve the aimed performance levels.
- The deserving employees must be rewarded for their exceptional performance.
- The reward system must be fair and just in an organization.
- Organizations must design interesting, dynamic and challenging jobs.
- The employee's motivation level should be continually assessed through various techniques such as questionnaire, personal interviews, etc.

8 Equity Theory



The equity theory of motivation is the idea that what an individual receives for their work has a direct effect on their motivation. When applied to the workplace, it means an individual will generally aim to create a balance between what they give to the organization compared to what they get in return.

8 Equity Theory

Assumptions of the Equity Theory

- The theory demonstrates that the individuals are concerned both with their own rewards and also with what others get in their comparison.
- Employees expect a fair and equitable return for their contribution to their jobs.
- Employees decide what their equitable return should be after comparing their inputs and outcomes with those of their colleagues.
- Employees who perceive themselves as being in an inequitable scenario will attempt to reduce the inequity either by distorting inputs and/or outcomes psychologically, by directly altering inputs and/or outputs, or by quitting the organization.

8 Equity Theory

Components of the equity theory of motivation

1. Inputs

- An input is a contribution one makes to receive a reward. Different inputs can include time commitments, daily job responsibilities, loyalty to an organization and enthusiasm for one's work.
- An employee will often distinguish between inputs they consider controllable and not controllable. Examples of controllable inputs include communication and attendance, while uncontrollable inputs could be job training and seniority.

8 Equity Theory

2. Outcomes

- An outcome, or output, is the compensation that an individual receives as a direct result of the input they provide.
- Outcomes can include hard factors such as:
 1. Salary and pay raises
 2. Job security
 3. Benefits like healthcare or vacation time
- There are also less tangible outcomes:
 1. Praise from coworkers
 2. Improved reputation
 3. Pride in one's work
- The value of the outcome should ideally result from the importance placed on the input. For example, a college graduate may believe that their degree should return better job opportunities.

8.1 Application of Equity theory in workplace

Equity theory can help you gain a better understanding of the different factors that influence your team's motivation levels. If you want to apply the equity theory in your workplace, consider the following tips:

1. Ensure a fair balance among team members
2. Make sure you offer comparable compensation
3. Know what your team values