

## Reading Review – Chapter 12

- I. What is Motivation
  - a. Psychological processes that arouse and direct goal-directed behavior.
  - b. Extrinsic: Payoff from Others (eg: Money)
  - c. Intrinsic: Motivation comes from the task itself, eg completing it.
  - d. Must motivate people to
    - i. Join and stay with the organization
    - ii. Show up for work.
    - iii. Perform better.
    - iv. Do extra tasks beyond the call of duty
- II. Need-Based Perspectives
  - a. Maslow's Hierarchy of Needs
    - i. Psychological (physical, air, temperature, food)
    - ii. Safety (physical, emotional)
    - iii. Belongingness (love, friendship, acceptance)
    - iv. Esteem (recognition, respect, status)
    - v. Self Actualization (Be all that you can be)
    - vi. *Application*: Meet bottom needs first, then work up the hierarchy
  - b. Herzberg's Two Factory Theory
    - i. Hygiene: Dissatisfaction. Salary, conditions, relationships, physical factors.
    - ii. Motivating: Satisfaction. Challenges, recognition, the work itself
    - iii. *Application*: First eliminate dissatisfaction, then spur motivation.
  - c. McClelland's Acquired Needs Theory
    - i. Three needs motivate workplace behavior.
    - ii. Achievement (excel, do better)
    - iii. Affiliation (friendly, warm relationships)
    - iv. Power (control over others)
    - v. *Application*: Find where a particular employee's need is highest; meet it.
- III. Process Perspectives
  - a. Expectancy Theory
    - i. Expectancy: Can I perform at that level? Effort-to-performance expectancy.
    - ii. Instrumentality: Will it have the desired outcome? Performance-to-reward
    - iii. Valence: How much do I want that outcome?
    - iv. *Application*: Employees must be high on all three elements to be "motivated".
  - b. Equity Theory
    - i. How fairly am I being treated with respect to others?
    - ii. Inputs: What am I putting into the job?
    - iii. Outputs: What rewards am I getting?
    - iv. Comparison: How does my Input/Output ratio compare to other employees?
    - v. What if it doesn't? Reduce inputs, lobby for better outputs, distort the severity of the inequity, use a different person for comparison, leave the company.
    - vi. *Application*
      1. The employee judges equity, not the manager.
      2. Let employees participate in forming reward systems.
      3. Have an appeals process to right wrongs.
  - c. Goal-Setting Theory
    - i. Specific, challenging, achievable goals.
    - ii. Set goals jointly with employees.
    - iii. Have a target date for each goal.
    - iv. All goals should be measurable.
- IV. Types of Reinforcement
  - a. Positive Reinforcement. Positive consequences (money, recognition). Strengthen behavior

- b. Negative Reinforcement: Remove unpleasant consequences (stop nagging). Maintain existing behavior.
  - c. Extinction: Withhold rewards. Weakens efforts to perform behavior.
  - d. Punishment. Give negative consequences.
  - e. Reinforcement
    - i. Reward quickly. Be clear about what behavior earns rewards.
    - ii. Use different rewards for different people.
    - iii. Reward desired (not expected) behavior.
  - f. Punishment
    - i. Punish undesirable behavior (rare cases, not ordinary)
    - ii. Punish quickly. Be clear about what behavior warrants punishment.
    - iii. Give punishment in private.
    - iv. Combine with rewards for good behavior at the same time.
- V. Job Design
  - a. Fit people to jobs
    - i. Job simplification. Reduce the number of tasks for a worker.
    - ii. Leads to dissatisfaction and poor mental health.
  - b. Fit jobs to people
    - i. Job enlargement. Greater number of tasks for more variety.
    - ii. Job enrichment. More responsibility, achievement, stimulating work.
  - c. Job Characteristics Model
    - i. Five core characteristics...
      1. Skill Variety
      2. Task Identity: to what extent is a worker needed to perform the task?
      3. Task Significance: How many people are affected?
      4. Autonomy: To what extent does the worker control the task?
      5. Feedback: To what extent is feedback received?
    - ii. ...affect three critical psychological states.
      1. Experienced meaningfulness of work.
      2. Responsibility for results
      3. Knowledge of work results and how it affects others.
    - iii. Leads to high motivation, high performance, satisfaction
    - iv. Application
      1. Diagnose work environment for problems
      2. Decide if job design is appropriate
      3. Decide how to redesign the job
- VI. Compensation and Rewards
  - a. Good incentive plan characteristics
    - i. Must be linked to performance
    - ii. Must satisfy individual needs
    - iii. Managers and employees must agree on the rewards involved
    - iv. Must be equitable, believable, achievable.
  - b. Popular Incentive Plans
    - i. Pay per performance (piece rate, sales commissions)
    - ii. Bonuses, profit sharing, stock options
    - iii. Gainsharing (Scalon Plan, portion of cost savings distributed to those who brought it about)
    - iv. Pay for knowledge / skill-based pay
  - c. Non-Monetary Rewards
    - i. Needs: Balance between life and career, Expand skills, Matter
    - ii. Be nice!
    - iii. Work-life benefits. Make it easy to balance life and work. Alternative scheduling.
    - iv. Surroundings (No more cubicles!)
    - v. Skill-building, education
    - vi. Sabbaticals