Responding to a Supervisory Dilemma

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Successful supervisors understand that what motivates them personally may have little or no effect on others. Effective supervisors tailor motivational practices to satisfy the needs and wants of employees. Motivating and rewarding employees is one of the most important and challenging activities that supervisors do. To get employees to put forth maximum work effort, supervisors need to know how and why they're motivated.

Several CEOs were attending a meeting where the topic was, "What do employees want?"* Each CEO took turns describing the benefits they provided and how they gave out free M&Ms every Wednesday and offered their employees stock options and free parking spaces. However, the meeting's main speaker made the point that "employees don't want M&Ms; they want to love what they do." Half expecting his audience to laugh, the speaker was pleasantly surprised as the CEOs stood up one-by-one to agree. They all recognized that "the value in their companies comes from the employees who are motivated to be there."

These CEOs understand how important employee motivation is. Like them, all supervisors need to be able to motivate their employees. That requires understanding what motivation is. Many people incorrectly view motivation as a personal trait; that is, they think some people are motivated and others aren't. Our knowledge of motivation tells us that we can't label people that way because individuals differ in motivational drive, and their overall motivation varies from situation to situation.

Motivating high levels of employee performance is an important organizational concern, and supervisors keep looking for answers. A recent Gallup poll found that a large majority of U.S. employees—some 73 percent—are not excited about their work. As the researchers stated, "These employees are essentially 'checked out.' They're sleepwalking through their workday, putting time, but not energy or passion, into their work."† It's no wonder then that supervisors want to understand and explain employee motivation.

In today's ongoing economic crisis, organizational downsizing is common and may include as many as half of the employees that work for the company. Many employees are going to be motivated to retain their jobs because they are scared, and as a result, their performance and production may improve. The opposite may be true for other employees who think they will lose their job regardless of the work they do, so they feel it really doesn't matter. And still others might see the writing on the wall and leave the job before the downsizing occurs.

Whatever the situation, once cuts have been made in numbers of employees, supervisors are faced with the employees who remain. Supervisors need to invest energy in the people who remain after downsizing. Supervisors need to aid recovery, fuel productivity, boost morale, and minimize the damage to workplace trust. Showing value in the remaining employees is critical in motivating them. How could a supervisor motivate employees who just lost their longtime colleagues and friends? Faced with layoffs and organizational downsizing how would you treat the surviving employees? How could they be motivated? Do you think an organization can survive after losing employees through downsizing?

Tommy Sapp is a hard-driving, competitive person. He gives a maximum effort on everything he does—at his job, on his summer softball team, in detailing his classic

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*P. Bronson, "What Should I Do with My Life Now?" *Fast Company*, April 2009, 35–37.

†J. Krueger and E. Killham, "At Work, Feeling Good Matters," *Gallup Management Journal*, December 8, 2005, http://businessjournal.gallup.com/content/20311/work-feeling-good-matters.aspx (accessed June 6, 2014).

1963 Corvette. In contrast, his good friend Brad Wilson appears to have no discipline in his life. People who know him think he's lazy. Although Brad is smart and highly capable, he has trouble holding a job because of his inability to put forth much sustained effort. Tommy summed up his appraisal of Brad: "He can't stay with anything for more than a half hour or so. He gets bored and distracted easily."

Supervisors like having Tommy types working for them. Such people are essentially self-motivated. You don't have to do much to get them to produce a full day's effort. The Brad Wilsons of the world are another story. They're a supervisor's challenge. It's a challenge to develop creative ways to motivate them. Most employees, however, aren't like either Tommy or Brad. They're more like Samantha Carr. On some activities, Samantha is incredibly motivated. For example, she reads two or three romance novels a week, and she gets up at 5:30 every morning and religiously runs three or four miles before showering and going to work. But at her sales job at the local Bally's Fitness Center, she seems bored and unmotivated. Most people are like Samantha in that their levels of motivation vary across activities.

What can supervisors do to increase the motivation of people like Brad Wilson and Samantha Carr? In this chapter, we provide you with some insights and tools that can help answer this question, while exploring the exciting supervisory concept of motivation.

What Is Motivation?

OBJECTIVE 8-1
Define *motivation.*

motivation
The willingness to do something conditioned on the action's ability to satisfy some need for the individual.

need
A physiological or psychological deficiency that makes certain outcomes seem attractive.

First, let's describe what we mean by the term *motivation*. **Motivation** is the willingness to do something; it is conditioned by this action's ability to satisfy some need for the individual. A **need**, in our terminology, means a physiological or psychological deficiency that makes certain outcomes seem attractive.

An unsatisfied need creates tension, which sets off a drive to satisfy that need (see Exhibit 8-1). The greater the tension, the greater the drive or effort required to reduce that tension. When we see employees working hard at some activity, we can conclude that they're driven by a desire to satisfy one or more needs that they value.

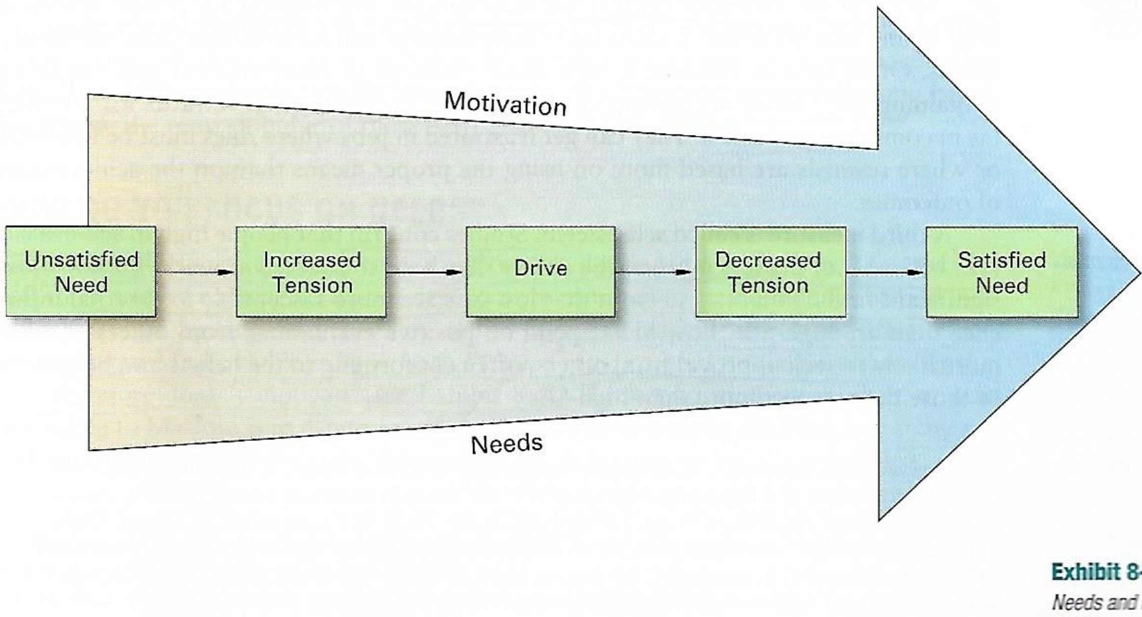

Exhibit 8-1
Needs and motivation

OBJECTIVE 8-2
Identify and define five personality characteristics relevant to understanding the behavior of employees at work.

Understanding Individual Differences

A common error supervisors often make is to assume that other people are like them. If they're ambitious, they think others will be ambitious just like them. If they place a high value on spending evenings and weekends with their family, they often assume that others feel the same way. These assumptions are frequently big mistakes! What's important to us is not necessarily important to others. Not everybody is driven by the desire for money. Yet a lot of supervisors believe that a bonus or the opportunity for a pay increase should make every employee want to work harder. If you're going to be successful in motivating people, you have to begin by accepting and trying to understand individual differences.

The major value of understanding personality differences probably lies in selection. You are likely to have higher-performing and more satisfied employees if you match personality types with compatible jobs. Recognizing that people approach problem solving, decision making, and job interactions differently, you can better understand why an employee is uncomfortable with making quick decisions or why an employee insists on gathering as much information as possible before addressing a problem.

CAN PERSONALITY MEASURES PREDICT PRACTICAL WORK-RELATED BEHAVIORS?

Let's look at the five specific personality measures that have proven most powerful in explaining individual behavior in organizations: locus of control, Machiavellianism, self-esteem, self-monitoring, and risk propensity.

locus of control
The source of control over an individual's behavior.

Some people believe they control their own fate. Others see themselves as pawns of fate, believing what happens to them in their lives is a result of luck or chance. The **locus of control** in the first case is internal; these people believe that they control their destiny. In the second case it is external; these people believe that their lives are controlled by outside forces.[1] Studies tell us that employees who rate high in externality are less satisfied with their jobs, more alienated from the work setting, and less involved in their jobs than are those who rate high in internality. For instance, employees with an external locus of control may be less enthusiastic about their jobs because they believe that they have little personal influence on the outcome of their performance appraisals. Poor appraisals are blamed on their supervisor's prejudice, their coworkers, or other events outside their control.

Machiavellianism
Manipulative behavior based on the belief that the ends can justify the means.

The second measure is **Machiavellianism** (Mach), named after Niccolo Machiavelli, who wrote in the sixteenth century on how to gain and manipulate power. Someone with strong Machiavellian tendencies is manipulative and believes that ends can justify means. Often seen as ruthless, a high Mach tends to be motivated on jobs requiring bargaining (e.g., labor negotiator) or where there are substantial rewards for winning (as in commissioned sales). They can get frustrated in jobs where rules must be followed or where rewards are based more on using the proper means than on the achievement of outcomes.

self-esteem
The degree to which an individual likes or dislikes himself or herself.

A third measure is called self-esteem. Studies confirm that people high in **self-esteem** (SE) believe they possess more of the ability they need to succeed at work. But the most significant finding on self-esteem is that low-SEs are more susceptible to external influence than are high-SEs. Low-SEs depend on positive evaluations from others and are more likely to seek approval from others, often conforming to the beliefs and behaviors of those they respect more than high-SEs.

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[1] See, for example, J. Silvester, F. M. Anderson-Gough, N. R. Anderson, and A. R. Mohamed, "Locus of Control, Attributions and Impression Management in the Selection Interview, *Journal of Occupational and Organizational Psychology* 75, no. 1 (March 2002), 59–77; D. W. Organ and C. N. Greene, "Role Ambiguity, Locus of Control, and Work Satisfaction," *Journal of Applied Psychology* 59, no. 1 (February 1974), 101–102; and T. R. Mitchell, C. M. Smyser, and S. E. Weed, "Locus of Control: Supervision and Work Satisfaction," *Academy of Management Journal* 18, no. 1 (September 1975), 623–631.

The fourth measure, the ability to adjust one's behavior to changing situations, is called self-monitoring. Individuals high in self-monitoring show considerable adaptability in adjusting their behavior to external situational factors. Sensitive to external cues, they can behave differently in different situations and are capable of presenting striking contradictions between their public personas and their private selves. Low self-monitors can't disguise behaviors, instead tending to display their true feelings and beliefs in every situation. Evidence tells us high self-monitors pay closer attention to the behavior of others and are more capable of conforming than are low self-monitors. Because high self-monitors are flexible they easily adjust to job situations that require individuals to play multiple roles in their workgroups.

self-monitoring
The ability to adjust behavior to external situational factors. High self-monitors adapt easily and are capable of presenting striking contradictions between public personas and private selves; low self-monitors tend to display their true feelings and beliefs in almost every situation.

Finally, a willingness to take chances is described as one's risk propensity. Those with high risk propensity make more rapid decisions and use less information in making their choices than people with low risk propensity.

risk propensity
A willingness to take chances, characterized by rapid decision making with the use of less information.

DO YOU NEED TO DEVELOP YOUR EMOTIONAL INTELLIGENCE TO IMPROVE YOUR SUPERVISION SKILLS?

Becoming more attuned to your own emotions and those of others may increase your effectiveness on the job. Emotional intelligence consists of five dimensions that may help you cope with the daily demands and pressures of the workplace. The dimensions of emotional intelligence are the following:

- **Self-awareness.** An awareness of what or how you are feeling
- **Self-management.** The ability to manage your emotions and impulses
- **Self-motivation.** The ability to persist in the face of setbacks and failures
- **Empathy.** The ability to sense how others are feeling
- **Social skills.** The ability to handle the emotions of others

Multiple studies indicate that emotional intelligence characterizes high performers and they are better able to relate to others in individual as well as team environments. Many human resources managers indicate that emotional intelligence is essential for career success in the organization, especially in jobs requiring social interaction.[2]

The Early Theories of Motivation

OBJECTIVE 8-3
Explain the elements and the focus of the three early theories of motivation.

Once we accept individual differences, we begin to understand why no single motivator applies to all employees. Because people are complex, any attempt to explain their motivations will also tend to be complex. We see this in the number of approaches that have been taken in developing theories of employee motivation. In the following pages, we review the most popular of these early theory approaches.

HOW DO YOU FOCUS ON NEEDS?

The most elementary approach to motivation was developed by Abraham Maslow.[3] He identified a set of basic needs that he argued were common to all individuals; he said individuals should be evaluated in terms of the degree to which these needs are fulfilled. According to Maslow's hierarchy-of-needs theory, a satisfied need no longer creates tension and therefore doesn't motivate (see Exhibit 8-1). The key to motivation, then, at least according to Maslow, is to determine where an individual is along the needs hierarchy and to focus motivation efforts at the point where needs become essentially unfulfilled.

hierarchy-of-needs theory
A theory of Abraham Maslow that states that a satisfied need no longer creates tension and therefore doesn't motivate. Maslow believed that the key to motivation is to determine where an individual is along the needs hierarchy and to focus motivation efforts at the point where needs become essentially unfulfilled.

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[2]S. Robbins and D. Decenzo, *Fundamentals of Management: Essential Concepts and Applications* (Upper Saddle River, NJ: Pearson Prentice Hall, 2008), 224–225.

[3]A. Maslow, *Motivation and Personality* (New York: Harper & Row, 1954).

Maslow proposed that within every human being exists a hierarchy of five needs:

1. **Physiological.** Includes hunger, thirst, shelter, sex, and other bodily needs
2. **Safety.** Includes security and protection from physical and emotional harm
3. **Social.** Includes affection, a sense of belonging, acceptance, and friendship
4. **Esteem.** Includes internal factors such as self-respect, autonomy, and achievement, and external factors such as status, recognition, and attention
5. **Self-actualization.** The drive to become what one is capable of becoming; includes growth, achieving one's potential, and self-fulfillment

As each of these needs becomes substantially satisfied, the next need becomes dominant. In terms of the theory, the individual moves up the hierarchy, as if climbing a staircase. From the perspective of motivation, the theory would say that although no need is ever completely fulfilled, a substantially satisfied need no longer motivates.

A number of studies to test the validity of Maslow's theory have been made over the years. Generally, these studies have not been able to support the theory. We can't say, for example, that everyone's need structure is organized along the dimensions Maslow proposed. So, although this theory has been around for a long time and is certainly well known, it is probably not a good guide for helping you motivate your employees.

DO SUPERVISORS FOCUS ON THE NATURE OF PEOPLE?

Theory X–Theory Y
A theory of Douglas McGregor that a supervisor's view of human nature is based on a certain grouping of assumptions and that he or she tends to mold behavior toward subordinates according to those assumptions.

Some supervisors believe that their employees are hardworking, committed, and responsible. Others view their employees as essentially lazy, irresponsible, and lacking ambition. This observation led Douglas McGregor to propose his **Theory X–Theory Y** view of human nature and motivation.[4] McGregor argued that a supervisor's view of the nature of human beings is based on a certain grouping of assumptions, and they tend to mold their behavior toward subordinates according to these assumptions.

Under Theory X, the four assumptions held by supervisors are the following:

1. Employees inherently dislike work, and whenever possible, will attempt to avoid it.
2. Because employees dislike work, they must be coerced, controlled, or threatened with punishment to achieve desired goals.
3. Employees will shirk responsibilities and seek formal direction whenever possible.
4. Most workers place security above all other factors associated with work and will display little ambition.

In contrast to these negative views toward the nature of human beings, McGregor listed four other assumptions that he called Theory Y:

1. Employees view work as being as natural as rest or play.
2. A person will exercise self-direction and self-control if they are committed to the objectives.
3. The average person can learn to accept, even seek, responsibility.
4. The ability to make good decisions is widely dispersed throughout the population and is not necessarily the sole province of supervisors.

What are the motivational implications of Theory X–Theory Y? McGregor argued that Theory Y assumptions were more valid than Theory X assumptions. As a result, he proposed ideas such as participation in decision making, responsible and challenging jobs, and good group relations as approaches that would maximize an employee's job motivation.

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[4]D. McGregor, *The Human Side of Enterprise* (New York: McGraw-Hill, 1960).

Unfortunately, there is no evidence to confirm that either set of assumptions is valid, or that acceptance of Theory Y assumptions and altering one's actions accordingly will lead to more motivated workers. Evidence shows that either Theory X or Theory Y assumptions may be appropriate in a particular situation.

WHAT EFFECT DOES THE ORGANIZATION HAVE ON MOTIVATION?

"First, describe situations in which you felt exceptionally good about your job. Second, describe situations in which you felt exceptionally bad about your job." Beginning in the late 1950s, Frederick Herzberg asked these two questions of a number of workers. He then tabulated and categorized their responses. What he found was that the replies people gave when they felt good about their jobs were significantly different from the replies given when they felt bad. As shown in Exhibit 8-2, certain factors tend to be consistently related to job satisfaction (when they felt "good") and others to job dissatisfaction (when they felt "bad"). Intrinsic factors such as achievement, recognition, the work itself, responsibility, and advancement seemed to be related to job satisfaction. When those questioned felt good about their work, they tended to attribute these factors to themselves. On the other hand, when they were dissatisfied, they tended to cite external factors, such as company policy and administration, supervision, interpersonal relations, and working conditions.

Herzberg took these results and formulated his **motivation-hygiene theory**.[5] He said the responses suggest that the opposite of satisfaction is not dissatisfaction, as was traditionally believed. Removing dissatisfying characteristics from a job does not necessarily make the job satisfying. Herzberg proposed that his findings indicate the

motivation-hygiene theory
A theory of Frederick Herzberg that the opposite of satisfaction is not "dissatisfaction" but "no satisfaction" and the opposite of dissatisfaction is not "satisfaction" but "no dissatisfaction."

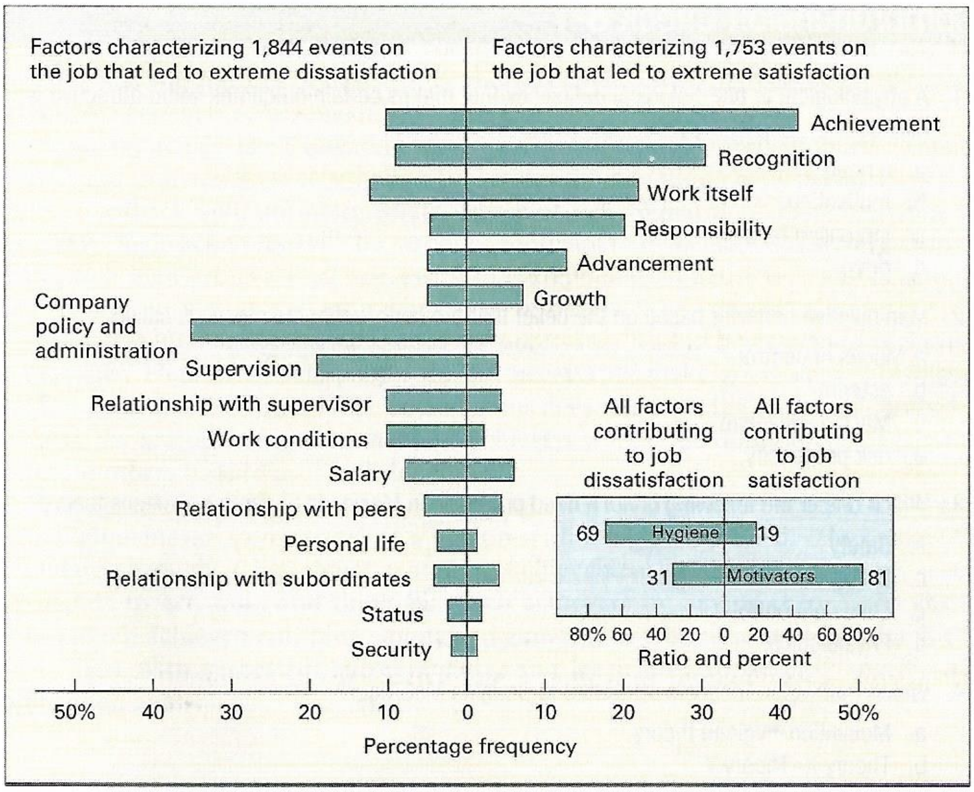

Exhibit 8-2
Comparison of satisfiers and dissatisfiers.
Source: *Reprinted by permission of* Harvard Business Review. *An exhibit from "One More Time: How Do You Motivate Employees?" by Frederick Herzberg. September/October 1987.*

[5]F. Herzberg, B. Mauser, and B. Snyderman, *The Motivation to Work* (New York: John Wiley & Sons, 1959).

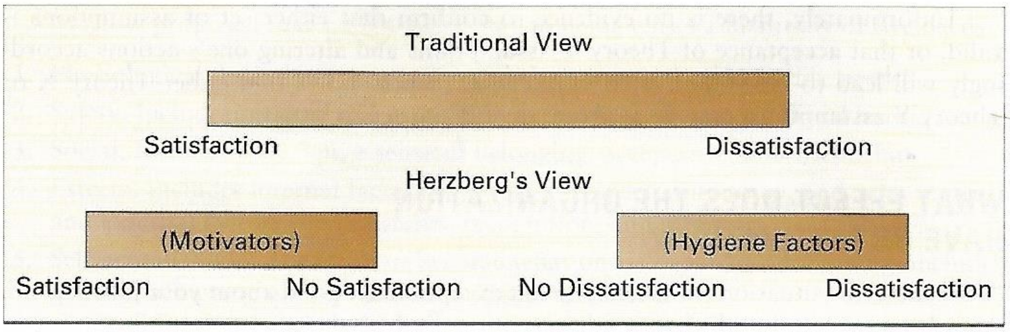

Exhibit 8-3
Contrasting views of satisfaction/dissatisfaction.

existence of a dual continuum: The opposite of "satisfaction" is "no satisfaction," and the opposite of "dissatisfaction" is "no dissatisfaction" (see Exhibit 8-3).

According to Herzberg, the factors leading to job satisfaction are separate and distinct from those that lead to job dissatisfaction. Therefore, supervisors who seek to eliminate factors that can create job dissatisfaction may bring about peace, but not necessarily motivation. They will be placating their employees rather than motivating them. As a result, such characteristics as company policy and administration, supervision, interpersonal relations, working conditions, and salary have been characterized by Herzberg as **hygiene factors**. When they're adequate, people will not be dissatisfied; however, neither will they be satisfied. If we want to motivate people in their jobs, Herzberg suggests emphasizing achievement, recognition, the work itself, responsibility, and growth. These are the characteristics that people find intrinsically rewarding.

hygiene factors
Frederick Herzberg's term for factors, such as working conditions and salary, that, when adequate, may eliminate job dissatisfaction but do not necessarily increase job satisfaction.

Comprehension Check **8-1**

1. A physiological or psychological deficiency that makes certain outcomes seem attractive is called
   a. a need.
   b. motivation.
   c. increased tension.
   d. drive.
2. Manipulative behavior based on the belief that the ends justify the means is called
   a. locus of control.
   b. esteem.
   c. Machiavellianism.
   d. risk propensity.
3. Which one of the following is *not* a need proposed in Maslow's hierarchy-of-needs theory?
   a. Safety
   b. Esteem
   c. Locus of control
   d. Physiological
4. Which motivation theory is attributed to Douglas McGregor?
   a. Motivation-hygiene theory
   b. Theory X–Theory Y
   c. Hierarchy-of-needs theory
   d. None of the above

Contemporary Theories of Motivation

OBJECTIVE 8-4
Identify the characteristics that stimulate the achievement drive in high achievers.

The previous three theories are well known, but unfortunately have not held up well under close examination. The contemporary theories presented next have a reasonable degree of valid supporting documentation. These theories represent the current "state-of-the-art" explanations of employee motivation.

WHAT IS A FOCUS ON ACHIEVEMENT?

Some people have a compelling drive to succeed—personally and professionally. They desire to do something better or more efficiently than it has been done before. This drive is the **need for achievement** (nAch). People with a high need for achievement are intrinsically motivated.[6] When high achievers are placed into jobs that stimulate their achievement drive, they are self-motivated and require little of your time or energy.

need for achievement
A compelling drive to succeed; an intrinsic motivation to do something better or more efficiently than it has been done before.

High achievers desire to do things better and they seek situations where they can attain personal responsibility for finding solutions to problems. Looking for rapid and unambiguous feedback on their performance, they set moderately challenging goals. High achievers are not gamblers; they dislike succeeding by chance. Preferring the challenge of working at a problem and accepting the personal responsibility for success or failure, they avoid what they perceive to be very easy or very difficult tasks.

High achievers perform best when they perceive that they have a fifty–fifty chance of success. They dislike accidental success as much as guaranteed success. They like goals that require stretching themselves a little and challenging their skills. Tasks with equal chance of success or failure provide them the optimum opportunity to experience feelings of accomplishment and satisfaction from their efforts.

In developed countries, between 10 and 20 percent of the workforce is made up of high achievers. The percentage is considerably lower in developing countries. The reason is that the cultures of developed countries tend to socialize people more toward striving for personal achievement.

Based on achievement research, we draw three reasonably well-supported conclusions. First, individuals with a high nAch prefer job situations with personal responsibility, feedback, and an intermediate degree of risk. When these characteristics are prevalent, high achievers will be strongly motivated. Evidence consistently demonstrates that high achievers are successful in entrepreneurial activities such as running their own businesses as well as in many sales positions.

Second, a high need to achieve does not necessarily lead to being a good supervisor or manager. High-nAch salespeople do not necessarily make good sales supervisors, and the good manager in a large organization does not typically have a high need to achieve. The reason seems to be that high achievers want to do things themselves rather than lead others toward accomplishments.

Last, employees can be trained to stimulate their achievement need. If a job calls for a high achiever, you can select a person with a high nAch or develop your own candidate through achievement training. Achievement training focuses on teaching people to act, talk, and think like high achievers by having them write stories emphasizing achievement, play simulation games that stimulate feelings of achievement, meet with successful entrepreneurs, and learn how to develop specific and challenging goals.

[6] D. C. McClelland, *The Achieving Society* (New York: Van Nostrand Reinhold, 1961).

HOW IMPORTANT IS EQUITY?

Suppose your company just hired someone new to work in your department, doing the same job you're doing. That person is essentially the same age as you, with almost identical educational qualifications and experience. The company is paying you $4,800 a month (which you consider very competitive). How would you feel if you found out that the company is paying the new person—whose credentials are not one bit better than yours—$5,600 a month? You'd probably be upset and angry. You'd probably think it wasn't fair. You're now likely to think you're underpaid. And you might direct your anger into actions such as reducing your work effort, taking longer coffee breaks, or taking extra days off by calling in "sick."

equity theory
The concept that employees perceive what they can get from a job situation (outcomes) in relation to what they put into it (inputs), and then compare their input–outcome ratio with the input–outcome ratio of others.

Your reactions illustrate the role that equity plays in motivation. People make comparisons of their job inputs and outcomes relative to others, and inequities have a strong bearing on the degree of effort that employees exert.[7] **Equity theory** states that employees perceive what they can get from a job situation (outcomes) in relation to what they put into it (inputs), and then compare their input–outcome ratio with the input–outcome ratio of others. If they perceive their ratio to be equal to the relevant others with whom they compare themselves, a state of equity is said to exist. They feel their situation is fair—that justice prevails. If the ratios are unequal, inequity exists; that is, the employees tend to view themselves as underrewarded or overrewarded. When inequities occur, employees attempt to correct them.

Equity theory recognizes that individuals are concerned not only with the absolute amount of rewards they receive for their efforts but also with the relationship of this amount to what others receive (see Exhibit 8-4). Inputs such as effort, experience, education, and competence can be compared to outcomes such as salary levels, raises, recognition, and other factors. When people perceive an imbalance in their input–outcome ratio relative to others, tension is created. This tension provides the basis for motivation, as people strive for what they perceive as equity and fairness.

The comparable other persons, systems, or selves individuals compare themselves against to assess equity—is an important variable in equity theory.[8] Each of the three referent categories is important. The "persons" category includes other individuals with similar jobs in the same organization but also includes friends, neighbors, or professional associates. Based on what they hear at work or read about in newspapers or trade journals, employees compare their pay with that of others. The "system" category includes organizational pay policies, procedures, and allocation. The "self" category refers to inputs–outcomes ratios that are unique to the individual. It reflects past personal experiences and contacts and is influenced by criteria such as past jobs or family commitments.

$$\frac{\text{Individual outcomes}}{\text{Individual inputs}} \quad \text{Compare with} \quad \frac{\text{Others' outcomes}}{\text{Others' inputs}}$$

Exhibit 8-4
Equity theory

There is substantial evidence to confirm the equity thesis: Employee motivation is influenced significantly by relative rewards as well as absolute rewards. It helps to explain why, particularly when employees perceive themselves as underrewarded (we all seem to be pretty good at rationalizing being overrewarded), they may reduce their work effort, produce lower-quality work, sabotage the system, skip workdays, or even resign.

[7] J. S. Adams, "Inequity in Social Exchanges," in L. Berkowitz, ed., *Advances in Experimental Social Psychology*, Vol. 2 (New York: Academic Press, 1965), 267–300.

[8] P. S. Goodman, "An Examination of Referents Used in the Evaluation of Pay," *Organizational Behavior and Human Performance*, October 1974, pp. 170–195; S. Ronen, "Equity Perception in Multiple Comparisons: A Field Study," *Human Relations*, April 1986, pp. 333–346; R. W. Scholl, E. A. Cooper, and J. F. McKenna, "Referent Selection in Determining Equity Perception: Differential Effects on Behavioral and Attitudinal Outcomes," *Personnel Psychology*, Spring 1987, pp. 113–127; and C. T. Kulik and M. L. Ambrose, "Personal and Situational Determinants of Referent Choice," *Academy of Management Review*, April 1992, pp. 212–237.

Do Employees Really Get What They Expect?

OBJECTIVE 8-5
Identify the three relationships in expectancy theory that determine an individual's level of effort.

expectancy theory
A theory that individuals analyze effort–performance, performance–rewards, and rewards–personal goals relationships, and their level of effort depends on the strengths of their expectations that these relationships can be achieved.

The final perspective we present is an integrative approach to motivation. It focuses on expectations. Specifically, **expectancy theory** argues that individuals analyze three relationships: effort–performance, performance–rewards, and rewards–personal goals. Their level of effort depends on the strengths of their expectations that these relationships can be achieved.[9] According to expectancy theory, an employee will be motivated to exert a high level of effort when he or she believes that effort will lead to a good performance appraisal; that a good appraisal will lead to organizational rewards such as a bonus, a salary increase, or a promotion; and that the rewards will satisfy the employee's personal goals. The theory is illustrated in Exhibit 8-5.

Expectancy theory helps explain why a lot of workers aren't motivated in their jobs and merely do the minimum necessary to get by. This can be made clearer if we look at the theory's three relationships in a little more detail. We present them as questions that employees need to answer affirmatively.

- **First, if I give a maximum effort, will it be recognized in my performance evaluation?** For some, the answer is no. Their skill level may be deficient, which means that no matter how hard they try, they're not likely to be a high performer. The company's performance appraisal system may be poorly designed—assessing traits instead of behaviors—making it difficult or impossible for the employee to achieve a strong evaluation. Another possibility is that employees perceive that their supervisors don't like them and, as a result, they expect to get a poor appraisal regardless of their level of performance. This suggests that one possible source of low employee motivation is the belief of an employee that no matter how hard they work, the likelihood of getting a good performance appraisal is low.
- **Second, if I get a good performance appraisal, will it lead to organizational rewards?** Many employees see the performance–rewards relationship in their job as weak. The reason is that organizations reward a lot of things besides just performance. For example, when pay is allocated to employees based on factors such as seniority, being cooperative, or "kissing up" to the boss, employees are likely to see the performance–rewards relationship as being weak and demotivating.
- **Last, if I'm rewarded, do I find the rewards personally attractive?** The employee works hard in hope of getting a promotion, but gets a pay raise instead. Or the employee wants a more interesting and challenging job, but receives only a few words of praise. Unfortunately, many supervisors are limited in the rewards they can distribute, making it difficult to tailor rewards to individual employees. Other supervisors incorrectly assume all employees want the same thing, thus overlooking the motivational effects of differentiating rewards. Either way, employee motivation is not fully maximized.

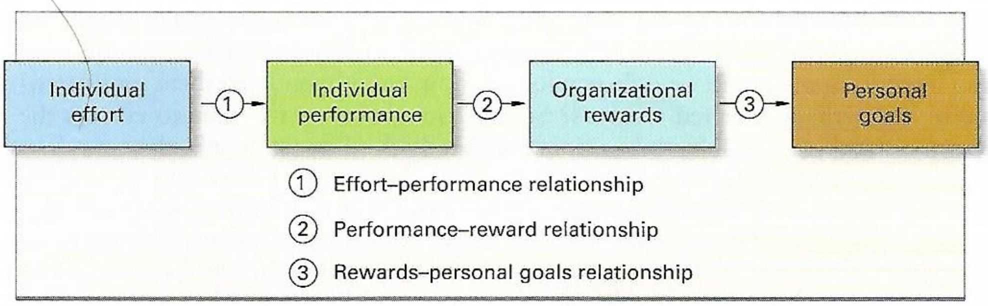

Exhibit 8-5
Expectancy theory.

[9] V. H. Vroom, *Work and Motivation* (New York: John Wiley & Sons, 1984).

Expectancy theory makes clear the need for supervisors to understand an individual's goal and the linkage between effort and performance, between performance and rewards, and finally, between rewards and individual goal satisfaction. The theory emphasizes payoffs, or rewards, and as a result, supervisors have to believe the rewards an organization offers align with what the individual wants. Expectancy theory recognizes that no universal principle explains what motivates individuals and thus stresses that supervisors understand why employees view certain outcomes as attractive or unattractive. Also, expectancy theory emphasizes expected behaviors. Do employees know what is expected of them and how they'll be evaluated? Finally, the theory is concerned with perceptions. Reality is irrelevant. Individuals' perceptions of performance, reward, and goal outcomes, not the outcomes themselves, will determine their motivation and subsequent level of effort.

Something to Think about (and promote class discussion)

MOTIVATED TO DO WHAT?

Google gets more than 777,000 applicants a year. And it's no wonder! With a massage every other week, on-site laundry, swimming pool and spa, free delicious all-you-can-eat gourmet meals—what more could an employee want? Sounds like an ideal job, doesn't it? However, at Google, many people are demonstrating by their decisions to leave the company that all those perks (and these are just a few) aren't enough to keep them there. As one analyst said, "Yes, Google's making gobs of money. Yes, it's full of smart people. Yes, it's a wonderful place to work. So why are so many people leaving?"

Google has been in the top ten list of "Best Companies to Work For" by *Fortune* magazine for three years running and was number one on the list for two of those three years. But make no mistake. Google's executives decided to offer all these fabulous perks for several reasons: to attract the best knowledge workers it can in an intensely competitive, cutthroat market; to help employees work long hours and not have to deal with time-consuming personal chores; to show employees they're valued; and to have employees remain Googlers (the name used for employees) for many years. But a number of Googlers have jumped ship and given up these fantastic benefits to go out on their own.

For instance, Sean Knapp and two colleagues, brothers Bismarck and Belsasar Lepe, came up with an idea on how to handle Web video. They left Google, or as one person put it, "expelled themselves from paradise to start their own company." When the threesome left the company, Google really wanted them and their project to stay. Google offered them a "blank check." But the trio realized they would do all the hard work and Google would own the product. So off they went, for the excitement of a start-up.

If this were an isolated occurrence, it would be easy to write off. But it's not. Other talented Google employees have done the same thing. In fact, there are so many of them who have left that they've formed an informal alumni club of ex-Googlers turned entrepreneurs.

If Google is such a motivational organization, what's it really like to work at Google? (*Hint*: Go to Google's website and click on "About Google." Find the section on Jobs at Google and go from there.) What's your assessment of the company's work environment? Even though Google is doing a lot for its employees, it obviously has not been enough to retain several of its talented employees. Reflecting on what you've learned from studying the various motivation theories, what does this situation tell you about employee motivation? What do you think is Google's biggest challenge in keeping employees motivated? If you were managing a team of Google employees, how would you keep them motivated? Will Google continue to hemorrhage talented workers? Should Google invest the time to correct the situation or accept it as a normal part of doing business in the IT world?

Sources: R. Levering and M. Moskowitz, "And the Winners Are… ," *Fortune*, February 2, 2009, 67+; A. Lashinsky, "Where Does Google Go Next?" CNNMoney.com, May 12, 2008; K. Hafner, "Google Options Make Masseuse a Multimillionaire," *New York Times Online*, November 12, 2007; Q. Hardy, "Close to the Vest," *Forbes*, July 2, 2007, 40–42; K. J. Delaney, "Start-Ups Make Inroads with Google's Work Force," *Wall Street Journal Online*, June 28, 2007; and "Perk Place: The Benefits Offered by Google and Others May Be Grand, But They're All Business," *Knowledge @ Wharton*, http://knowledge.wharton.upenn.edu/article (accessed March 21, 2007).

HOW DO YOU CREATE AN ATMOSPHERE IN WHICH EMPLOYEES REALLY WANT TO WORK?

OBJECTIVE 8-6
List actions a supervisor can take to maximize employee motivation.

If you're a supervisor concerned with motivating your employees, how do you apply the various motivational concepts introduced in this chapter? There is no simple set of guidelines, but the essence of what we know about motivating employees is distilled in the following suggestions.

Recognize Individual Differences Remember that employees are not the same. People have different needs. Whereas you may be driven by the need for recognition, I may be far more concerned with satisfying my desire for security. We know that a minority of employees have a high need for achievement. But if one or more of the people working for you are high achievers, make sure you design their jobs to provide them with the personal responsibility, feedback, and intermediate degree of risk that is most likely to provide them with motivation. Your job as a supervisor includes learning to recognize the dominant needs of each of your employees.

Match People to Jobs Evidence supports the idea that motivational benefits accrue from carefully matching people to jobs. Some people prefer routine work with repetitive tasks. Others enjoy being part of a team; others do their best work when they're isolated from people and able to do their jobs independently. When jobs differ in terms of autonomy, variety of tasks, and range of skills, you should try to match employees to jobs that best fit with their capabilities and personal preferences.

Set Challenging Goals In Chapter 3, we showed that challenging goals can be a source of motivation. When people accept and are committed to a set of specific and difficult goals, they will work hard to achieve them. Our review of the evidence clearly indicates the power of goals in influencing employee behavior. Based on that, we suggest you sit down with each of your employees and jointly set tangible, verifiable, and measurable goals for a specific time period. Then, create a mechanism by which these employees will receive ongoing feedback as to their progress toward achieving these goals. This goal-setting process should act to motivate employees.

Encourage Participation Allowing employees to participate in decisions that affect them has been shown to increase their motivation. Participation is empowering. It allows people to take ownership of decisions. Decisions in which employees might participate include setting work goals, choosing their benefits packages, and selecting work schedules and assignments. Participation, of course, should be at the option of the employee, with no one compelled to participate in decision making. Although participation is associated with increasing employee commitment and motivation, consistent with our discussion of individual differences, some people may prefer to waive their rights to participate in decisions that affect them.

Individualize Rewards Because employees have different needs, what acts to reinforce for one may not work for another. Use your knowledge of individual differences to individualize the rewards over which you have control. Some of the rewards that supervisors allocate include pay, job assignments, work hours, and the opportunity to participate in goal setting and decision making.

Link Rewards to Performance In both reinforcement theory and expectancy theory, motivation is maximized when supervisors make rewards contingent on performance. Rewarding factors other than performance only acts to reinforce and encourage those other factors. Connect rewards such as pay increases and promotions to the attainment of the employee's specific goals. Maximize the impact of the reward contingencies by increasing the visibility of rewards. Publicizing performance bonuses and allocating salary increases in a lump sum rather than spreading them out over the entire year are examples of actions that will make rewards more visible and potentially more motivating.

Check for Equity Rewards or outcomes should be perceived by employees as equaling the inputs they give. This should mean that experience, abilities, effort, and other obvious inputs should explain differences in pay, responsibility, and other obvious outcomes. The issue is complicated by the fact there are dozens of inputs and outcomes, and employee groups place different degrees of importance on them. One person's equity may be another's inequity, so an ideal reward system should weight inputs differently to arrive at the proper rewards for each job.

Don't Ignore Money! Finally, it is easy to get so caught up in setting goals or providing opportunities for participation that you forget money is a major reason most people work. The allocation of performance-based wage increases, piecework bonuses, and other pay incentives is important in determining employee motivation. Simply stated, money motivates! A review of eighty studies evaluated motivational methods and their impacts on employee productivity.[10] Goal setting alone produced, on average, a 16 percent increase in productivity; efforts to redesign jobs to make them more interesting and challenging yielded 8 to 16 percent increases; and employee participation in decision making produced a median increase of less than 1 percent. In contrast, monetary incentives led to an average increase of 30 percent.

OBJECTIVE 8-7
Describe how supervisors can design individual jobs to maximize employee performance.

Designing Motivating Jobs

The structure of the work itself can impact the motivation of the employee and the level of productivity an employee can expect to achieve. Some jobs are routine because the tasks are standardized and repetitive; others have variety and are non-routine. Some require a large number of varied and diverse skills; others are narrow in scope. Some jobs constrain employees by requiring them to follow precise procedures; others allow employees substantial freedom in how they do their work. The term **job design** refers to the way that tasks are combined to form complete jobs. According to the Job Characteristics Model (JCM) developed by Hackman and Oldham there are five key characteristics that define a job, and together they constitute the core dimensions of any job:[11]

job design
Combining tasks to form complete jobs.

1. **Skill variety.** The degree to which the job requires a variety of different activities so that the worker can use a number of different skills and talents
2. **Task identity.** The degree to which the job requires completion of a whole and identifiable piece of work
3. **Task significance.** The degree to which the job has a substantial impact on the lives or work of other people
4. **Autonomy.** The degree to which the job provides substantial freedom, independence, and discretion to the individual in scheduling the work and in determining the procedures to be used in carrying it out
5. **Feedback.** The degree to which carrying out the work activities required by the job results in the individual obtaining direct and clear information about the effectiveness of his or her performance

The JCM explains how the first three dimensions—skill variety, task identity, and task significance—combine to create meaningful work. If these three characteristics exist in a job, the prediction is that employees will view their jobs as being important, valuable, and worthwhile. Jobs that possess autonomy provide the job incumbent a feeling of personal responsibility for the results and if jobs provide feedback, the

[10] E. A. Locke, "The Relative Effectiveness of Four Methods of Motivating Employee Performance," in K. D. Duncan, M. M. Gruneberg, and D. Wallis, eds., *Changes in Working Life* (London: John Wiley & Sons, 1980), 363–383.

[11] J. R. Hackman and G. R. Oldham, "Motivation through the Design of Work: Test of a Theory," *Organizational Behavior and Human Performance,* August 1976, 250–279.

employees will know how effectively they are performing. The JCM suggests that internal rewards are obtained when employees learn (knowledge of results through feedback) they personally (experienced responsibility through autonomy of work) have performed well on a task they care about (experienced meaningfulness through skill variety, task identity, or task significance). The more these conditions characterize a job, the greater the employee's motivation, performance, and satisfaction and the lower his or her absenteeism and the likelihood of resigning. The JCM provides significant guidance to managers for job design for both individuals and teams.[12]

Exhibit 8-6 offers examples of job activities that rate high and low for each characteristic. When these five characteristics are all present in a job, the job becomes enriched and *potentially* motivating. Whether that potential is actualized depends on the strength of the employee's growth need. Individuals with a high growth need are more likely to be motivated in enriched jobs than their counterparts with a low growth need.

Job enrichment increases the degree to which a worker controls the planning, execution, and evaluation of his or her work. An enriched job organizes tasks so as to allow the worker to do a complete activity, increases the employee's freedom and independence, increases responsibility, and provides feedback so that an individual can assess and correct his or her own performance.

job enrichment
The degree to which a worker controls the planning, execution, and evaluation of his or her work.

Flow in the Workplace The design of a job provides the organization an opportunity to match workers' skills with the conditions of the task and the workplace. When workers are able to find intrinsic motivation to complete a task, and become engaged in the task, to the apparent exclusion of outside influences, they can be said to be in the flow of the task, job, or even their career. Flow is a high level of intrinsic motivation

Skill Variety		
	High variety	The owner–operator of a garage who does electrical repair, rebuilds engines, does body work, and interacts with customers
	Low variety	A body shop worker who sprays paint eight hours a day
Task Identity		
	High identity	A cabinet maker who designs a piece of furniture, selects the wood, builds the object, and finishes it to perfection
	Low identity	A worker in a furniture factory who operates a lathe solely to make table legs
Task Significance		
	High significance	A nurse who cares for the sick in a hospital intensive-care unit
	Low significance	A janitor who sweeps hospital floors
Autonomy		
	High autonomy	A telephone installer who schedules his or her own work for the day, makes visits without supervision, and decides on the most effective techniques for a particular installation
	Low autonomy	A telephone operator who must handle calls as they come according to a routine, highly specified procedure
Feedback		
	High feedback	An electronics factory worker who assembles a radio and then tests it to determine whether it operates properly
	Low feedback	An electronics factory worker who assembles a radio and then routes it to a quality control inspector who tests it for proper operation and makes needed adjustments

Exhibit 8-6
Examples of high and low levels of job characteristics.

[12]G. Van Der Vegt, B. Emans, and E. Van Der Vliert, "Motivating Effects of Task and Outcome Interdependence in Work Teams," *Journal of Managerial Psychology* (July 2000), p. 829; and B. Bemmels, "Local Union Leaders' Satisfaction with Grievance Procedures," *Journal of Labor Research* (Summer 2001), pp. 653–669.

occurring when individuals become so absorbed in what they are doing they lose all awareness of things external to the task.

Flow is most common during work activities, often occurring when:

- One's skills are appropriately matched by challenges.
- Concentration is so intense that there is no excess attention to focus on irrelevant problems or everyday worries.
- Concept of the self disappears and one loses a sense of time.
- An activity is so rewarding that people undertake the activity for its own sake.

Supervisors should realize that when employees' skills surpass their job challenges, they easily become bored. Conversely, job challenges greater than the skills of the employee may cause anxiety over inability to complete the task successfully. When challenges are appropriate for the skill set possessed by the employee, the employee is more likely to engage fully with the task and optimize the experience. In a modern highly competitive workplace it is important to identify work environments that possess the potential to increase employee engagement.[13]

OBJECTIVE 8-8
Explain the effect of workforce diversity on motivating employees.

Motivation Challenges for Today's Supervisors

Today's supervisors have the challenge of motivating a diverse workforce, paying for performance, motivating minimum-wage employees, motivating contingent employees, motivating professional and technical employees, improving employees' work–life balance, providing employee recognition programs, and introducing employee stock ownership plans.

WHAT IS THE KEY TO MOTIVATING A DIVERSE WORKFORCE?

To maximize motivation among today's diversified workforce, supervisors need to think in terms of flexibility.[14] Studies tell us that men place considerably more importance on having autonomy in their jobs than do women. In contrast, the opportunity to learn, convenient work hours, and good interpersonal relations appear more important to women than to men. Supervisors need to recognize that what motivates a single mother with two dependent children who is working full-time to support her family may be very different from what motivates a young, single, part-time worker or the older employee who is working to supplement their pension income. Employees have different personal needs and goals that they're hoping to satisfy through their job. The offer of various types of rewards to meet their diverse needs can be highly motivating for employees.

Supervisors must be aware of cultural differences. The theories of motivation we have been studying were developed largely by U.S. psychologists and were validated by studying American workers. Therefore, these theories need to be modified for different cultures.[15] The self-interest concept is consistent with capitalism and the extremely high

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[13]M. Csíkszentmihályi, *Flow: The Psychology of Optimal Experience* (New York: Harper & Row, 1990); J. Chamberlin and Monitor staff, "Reaching Flow to Optimize Work and Play," *APA Online* 29, no. 7 (July 1998), www.apa.org/monitor/jul98/joy.html (accessed June 10, 2008); M. Csíkszentmihályi, *Good Business: Leadership, Flow, and the Making of Meaning* (New York: Penguin Books, 2003); Hindu Business Line Internet Edition, "Discern Opportunities Around When Others Don't," March 8, 2004, www.thehindubusinessline.com/mentor/2004/03/08/stories/2004030800251100.htm (accessed June 10, 2008); and A. Marsh, "The Art of Work," FastCompany.com, December 19, 2007, www.fastcompany.com/magazine/97/art-of-work.html (accessed June 10, 2008).

[14]See S. Bates, "Getting Engaged," *HR Magazine,* February 2004, 44–51; and G. M. Combs, "Meeting the Leadership Challenge of a Diverse and Pluralistic Workplace: Implications of Self-Efficacy for Diversity Training," *Journal of Leadership Studies* 8, no. 4 (Spring 2002), 1–17.

[15]G. Hofstede, "Motivation, Leadership, and Organizations: Do American Theories Apply Abroad?" *Organizational Dynamics* 9, no. 1 (Summer 1980), 55.

value placed on individualism in countries such as the United States. Because almost all the motivation theories presented in this chapter are based on the self-interest motive, they should be applicable to employees in such countries as Great Britain and Australia, where capitalism and individualism are highly valued. In more collectivist nations—such as Venezuela, Singapore, Japan, and Mexico—the link to the organization is the individual's loyalty to the organization or society, rather than his or her self-interest. Employees in collectivist cultures should be more receptive to team-based job design, group goals, and group-performance evaluations. Reliance on the fear of being fired in such cultures is likely to be less effective, even if the laws in those countries allow it.

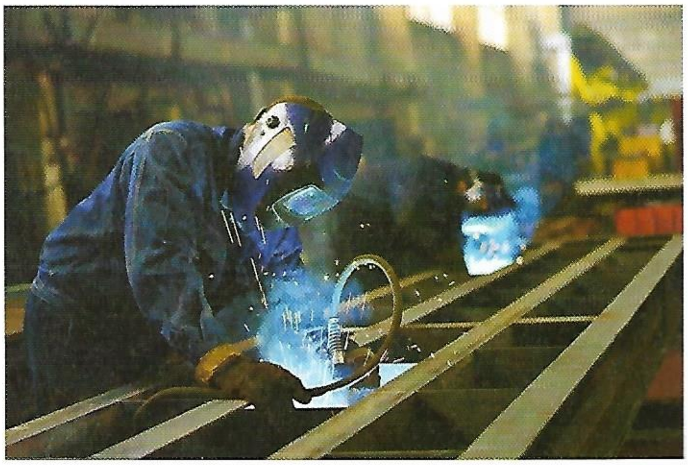
The need-for-achievement concept provides another example of a motivation theory with a U.S. bias. The view that a high need for achievement acts as an internal motivator assumes a willingness to accept a moderate degree of risk and a concern with performance. These characteristics would exclude countries with high uncertainty-avoidance scores and high quality-of-life ratings. The remaining countries are exclusively Anglo-American countries such as New Zealand, South Africa, Ireland, the United States, and Canada.

However, results of several recent studies among employees in countries other than the United States indicate that some aspects of motivation theory are transferable.[16] For instance, motivational techniques presented in this chapter were shown to be effective in changing performance-related behaviors of Russian textile mill workers. Supervisors must remember that motivation concepts are not universally applicable. They should change their motivational techniques to fit the culture. The technique used by a large department store in Xian, China—recognizing and embarrassing the worst sales clerks by giving them awards—may be a means of supervising in China, but doing something that humiliates employees isn't likely to work in North America or Western Europe.

pay-for-performance programs
Compensation plans that pay employees on the basis of some performance measure.

SHOULD EMPLOYEES BE PAID FOR PERFORMANCE OR TIME ON THE JOB?

What's in it for me? Our knowledge of motivation tells us that people do what they do to satisfy some need. Before they do anything they look for a payoff or reward. Although different rewards may be offered by organizations, most of us are concerned with earning an amount of money that allows us to satisfy our needs and wants. Because pay is an important variable in motivation as one type of reward, we need to look at how we can use pay to motivate high levels of employee performance. This explains the intent and logic behind pay-for-performance programs.



Maxhalanski/Fotolia

A contemporary pay-for-performance culture rewards employees for their contributions to the success and profitability of the organization.

Pay-for-performance programs are compensation plans that pay employees on the basis of some performance measure. Piece-rate plans, gain sharing, wage incentive plans, profit sharing, and lump-sum bonuses are examples of pay-for-performance programs. What differentiates these forms of pay from the more traditional compensation plans is that instead of paying an employee for time on the job, pay is adjusted to reflect some performance measures. These performance measures might include such things as individual productivity, team or

[16]D. H. B. Walsh, F. Luthens, and S. M. Sommer, "Organizational Behavior Modification Goes to Russia: Replicating an Experimental Analysis across Cultures and Tasks," *Journal of Organizational Behavior Management* 13, no. 2 (Fall 1993), 15–35; and J. R. Baum, J. D. Olian, M. Erez, and E. R. Schnell, "Nationality and Work Role Interactions: A Cultural Contrast of Israel and U.S. Entrepreneurs' versus Managers' Needs," *Journal of Business Venturing* 8, no. 6 (November 1993), 499–512.

workgroup productivity, departmental productivity, or the overall organization's profits for a given period.

Performance-based compensation is probably most compatible with expectancy theory. Employees should perceive a strong relationship between their performance and the rewards they receive if motivation is to be maximized. If rewards are allocated solely on nonperformance factors—such as seniority, job title, or across-the-board cost-of-living raises—then employees are likely to reduce their efforts.

Pay-for-performance programs are gaining in popularity in organizations. A study found that almost 80 percent of firms surveyed were practicing some form of pay-for-performance for salaried employees.[17] The growing popularity can be explained in terms of both motivation and cost control.[18] From a motivation perspective, making some portion of pay conditional on performance measures focuses employee attention and effort on that measure, and then reinforces the continuation of that effort with rewards. However, if performance declines, so too does the reward. Thus, there is an incentive to keep efforts and motivation strong.

competency-based compensation
Payments and rewards to employees on the basis of skills, knowledge, and behaviors.

A recent extension of the pay-for-performance concept is called **competency-based compensation**.[19] This compensation program pays and rewards employees on the basis of the skills, knowledge, or behaviors employees possess. Competencies may include such behaviors and skills as leadership, problem solving, decision making, or strategic planning. Pay levels are established on the basis of the degree to which these competencies exist. Pay increases are awarded for growth in personal competencies as well as for the contributions one makes to the overall organization. An employee's rewards are tied directly to how capable they are of contributing to the achievement of the organization's goals and objectives.

A HOW CAN SUPERVISORS MOTIVATE MINIMUM-WAGE EMPLOYEES?

One of the toughest motivational challenges facing many supervisors today is how to achieve high performance levels among minimum-wage workers. Offering more pay for high levels of performance is out of the question because companies can't afford it. What are your motivational options at this point?[20]

One trap many supervisors fall into is thinking that employees are motivated only by money. Although money is important as a motivator, it's not the only "reward" that people seek and that supervisors can use. In motivating minimum-wage employees, supervisors should look at other types of rewards that help motivate employees. Many companies use employee recognition programs such as employee of the month, quarterly employee-performance award ceremonies, or other celebrations of employee accomplishment. For instance, at many fast-food restaurants such as McDonald's and Wendy's, you'll often see plaques hanging in prominent places that feature the "Crew Member of the Month." These programs highlight employees whose work performance has been of the type and level the organization wants to encourage. Supervisors may also use praise to motivate, but you need to be sure that praise is sincere and done for the right reasons; otherwise, employees can see such actions as manipulative.

We know that rewards are only part of the motivation equation. We can look to job design and expectancy theories for additional insights. In service industries such as travel and hospitality, retail sales, child care, and maintenance, where pay for frontline

[17] J. Wiscombe, "Can Pay for Performance Really Work?" *Workforce*, August 2001, 28.

[18] "Exclusive PFP Survey: Latest Data—What's Hot and What's Not in PFP," *Pay for Performance Report*, May 2002, 1.

[19] See D. A. DeCenzo and S. P. Robbins, *Human Resource Management*, 8th ed. (New York: John Wiley & Sons, 2005), 286.

[20] P. Falcone, "Motivating Staff Without Money," *HR Magazine*, August 2002, 105–108.

employees generally doesn't get much above the minimum-wage level, successful companies are empowering these front-line employees with more authority to address customers' problems. We can see that this type of job redesign provides enhanced motivating potential because employees now experience increased skill variety, task identity, task significance, autonomy, and feedback.

HOW ARE CONTINGENT WORKERS MOTIVATED?

As full-time jobs have been eliminated, the number of openings for part-time, contract, and other forms of temporary work have increased. Contingent workers don't have the security or stability that permanent employees have, and they don't identify with the organization or display the commitment that other employees do. Temporary workers also typically get little or no benefits such as health care or pensions.[21]

What will motivate involuntarily temporary employees? An obvious answer is the opportunity to become a permanent employee. In cases in which permanent employees are selected from a pool of temps, the temps will often work hard in hopes of becoming permanent. A less obvious answer is the opportunity for training. The ability of temporary employees to find a new job is largely dependent on their skills. If employees see that the job they are doing can help develop marketable skills, then motivation is increased. From an equity standpoint, when temps work alongside permanent employees who earn more and get benefits too for doing the same job, the performance of temps is likely to suffer. Separating such employees or perhaps minimizing interdependence between them might help supervisors counteract potential problems.[22]

WHAT'S DIFFERENT IN MOTIVATING PROFESSIONAL AND TECHNICAL EMPLOYEES?

Professional and technical employees are typically different from nonprofessionals. They have a strong and long-term commitment to their field of expertise. Their loyalty, however, is more often to their profession than to their employer. To keep current in their field, they need to regularly update their knowledge. And their commitment to their profession or technical field means they rarely define their workweek in terms of a nine-to-five schedule, five days a week.[23]

Money and promotions into supervisory positions typically are low on the priority list of professional and technical employees because they tend to be well paid, and they enjoy what they do. In contrast, job challenge tends to be ranked high. They like to

[21]K. Bennhold, "Working (Part-Time) in the 21st Century," *New York Times Online*, December 29, 2010, http://www.nytimes.com/2010/12/30/world/europe/30iht-dutch30.html?pagewanted=all (accessed May 2, 2014); and J. Revell, C. Bigda, and D. Rosato, "The Rise of Freelance Nation," *CNNMoney*, cnnmoney.com (June 12, 2009) http://money.cnn.com/2009/06/11/magazines/moneymag/entreprenuerial_workplace.moneymag/ (accessed June 2, 2014); and R. J. Bohner, Jr. and E. R. Salasko, "Beware the Legal Risks of Hiring Temps," *Workforce*, October 2002, pp. 50–57, 55.

[22]H. G. Jackson, "Flexible Workplaces: The Next Imperative," *HR Magazine*, March 2011, p. 8; E. Frauenheim, "Companies Focus Their Attention on Flexibility," *Workforce Management Online*, February 2011, http://www.workforce.com/articles/companies-focus-their-attention-on-flexibility (accessed June 2, 2014); P. Davidson, "Companies Do More with Fewer Workers," *USA Today*, February 23, 2011, pp. 1B+; M. Rich, "Weighing Costs, Companies Favor Temporary Help," *New York Times Online*, December 19, 2010, http://www.nytimes.com/2010/12/20/business/economy/20temp.html?pagewanted=all (accessed June 2, 2014); P. Davidson, "Temporary Workers Reshape Companies, Jobs," *USA Today*, October 13, 2010, pp. 1B+; J. P. Broschak and A. Davis-Blake, "Mixing Standard Work and Nonstandard Deals: The Consequences of Heterogeneity in Employment Arrangements," *Academy of Management Journal* (April 2006), pp. 371–393; M. L. Kraimer, S. J. Wayne, R. C. Liden, and R. T. Sparrowe, "The Role of Job Security in Understanding the Relationship Between Employees' Perceptions of Temporary Workers and Employees' Performance," *Journal of Applied Psychology* (March 2005), pp. 389–398; and C. E. Connelly and D. G. Gallagher, "Emerging Trends in Contingent Work Research," *Journal of Management* (November 2004), pp. 959–983.

[23]See, for instance, P. J. Sauer, "Open-Door Management,"*Inc.*, June 2003, 44.

tackle problems and find solutions. Their chief reward in their job is the work itself. Professional and technical employees generally also value support. They want others to think that what they are working on is important.[24]

Supervisors should provide professional and technical employees with new assignments and challenging projects. Give them autonomy to follow their interests and allow them to structure their work in ways they find productive. Reward them with educational opportunities that enable them to keep current in their field and to network with their peers. Also reward them with recognition. Supervisors should ask questions and engage in other actions that demonstrate to their professional and technical employees that they're sincerely interested in what they're doing.

An increasing number of companies are creating alternative career paths for these employees. These allow employees to earn more money and status, without assuming managerial responsibilities. At Merck, IBM, and AT&T, the best scientists, engineers, and researchers gain titles such as Fellow and Senior Scientist. Their pay and prestige are comparable to those of managers, but without the corresponding authority.

WHAT CAN A SUPERVISOR DO TO IMPROVE EMPLOYEES' WORK–LIFE BALANCE?

The typical employee in the 1960s or 1970s showed up at the workplace Monday through Friday and did their job in eight- or nine-hour chunks of time. The workplace and hours were clearly specified, but not anymore. Employees are increasingly complaining that the line between work and nonwork time has blurred, creating personal conflicts and stress.[25] Several factors have contributed to this blurring between work and personal life. One is that in a world of global business, work never ends. At any time and on any day, for instance, thousands of Caterpillar employees are working somewhere in the company's facilities. The need to consult with colleagues or customers eight or ten time zones away means that many employees of global companies are on call twenty-four hours a day. Another factor is that communication technology allows employees to do their work at home, in their cars, or on the beach in Tahiti. Working anywhere and at anytime means there's no escaping from work. Another factor is that as organizations lay off employees the "surviving" employees have had to work longer hours. It's not unusual for employees to work more than forty-five hours a week, and some work more than fifty. Finally, fewer families today have a single wage earner. Today's employee is typically part of a dual-career couple, which makes it increasingly difficult for married employees to find time to fulfill commitments to home, spouse, children, parents, and friends.[26]

Employees recognize that work is squeezing out their personal lives, and they're not happy about it. Progressive workplaces must accommodate the varied needs of a diverse workforce. In response, many organizations are offering *family-friendly benefits* that provide a wide range of scheduling options to allow employees more flexibility at work, accommodating their need for work–life balance. They've introduced programs such as on-site child care, summer day camps, flextime, job sharing, time off for school functions, telecommuting, and part-time employment. Younger employees put a higher priority on family and a lower priority on jobs and are looking for organizations that give them more work flexibility.[27]

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[24] "One's CEO's Perspective on the Power of Recognition," *Workforce Management,* February 27, 2004, http://www.workforce.com/articles/one-ceo-s-perspective-on-the-power-of-recognition (accessed June 2. 2014); and R. Fournier, "Teamwork Is the Key to Remote Development—Inspiring Trust and Maintaining Motivation Are Critical for a Distributive Development Team," *InfoWorld,* March 5, 2001, 48.

[25] See, for instance, P. Cappelli, J. Constantine, and C. Chadwick, "It Pays to Value Family: Work and Family Trade-Offs Reconsidered," *Industrial Relations* 39, no. 2 (April 2000), 175–198; R. C. Barnett and D. T. Hall, "How to Use Reduced Hours to Win the War for Talent," *Organizational Dynamics* 29 (March 2001), 42; and M. A. Verespej, "Balancing Act," *Industry Week,* May 15, 2000, 81–85.

[26] M. Conlin, "The New Debate over Working Moms," *BusinessWeek,* November 18, 2000, 102–103.

[27] M. Elias, "The Family-First Generation," *USA Today,* December 13, 2004, 5D.

Flextime (short for "flexible work time") is a scheduling option that allows employees, within specific parameters, to decide when to go to work. Employees have to work a specific number of hours a week, but they are free to vary the hours of work within certain limits. Flextime has become a popular scheduling option, especially among professional employees and Gen-Xers.[28] For instance, a recent study of firms' practices to enhance the work–life balance found that about 60 percent offered employees some form of flextime.[29]

The potential benefits of flextime are numerous for both the employee and the employer. They include improved employee motivation and morale, reduced absenteeism as a result of enabling employees to better balance work and family responsibilities, increased wages as a result of productivity gains, and the ability of the organization to recruit higher-quality and more diverse employees.[30]

News Flash!

MAINTAINING MOTIVATION ON THE SHOE LEATHER EXPRESS

Zappos, the quirky Las Vegas–based online shoe retailer (now a part of Amazon.com), has always had a reputation for being a fun place to work. However, during the economic recession, it, like many companies, had to cut staff—124 employees in total. CEO Tony Hsieh wanted to get out the news fast to lessen the stress for his employees. So he announced the layoff in an e-mail, on his blog, and on his Twitter account. Although some might think these are terrible ways to communicate that kind of news, most employees thanked him for being so open and so honest. The company also took good care of those being laid off. Laid-off employees with less than two years of service were paid through the end of the year. Longer-tenured employees got four weeks for every year of service. All got six months of continued paid health coverage and, at the request of the employees, got to keep their 40 percent merchandise discount through the Christmas season. Zappos had always been a model of how to nurture employees in good times, now it showed how to treat employees in bad times.

The economic recession of the last few years was difficult for many organizations, especially when it came to their employees. Layoffs, tight budgets, minimal or no pay raise, benefit cuts, no bonuses, long hours doing the work of those who had been laid off—this was the reality that many employees faced. As conditions deteriorated, employee confidence, optimism, and job engagement plummeted as well. As you can imagine, it wasn't an easy thing for managers to keep employees motivated under such challenging circumstances.

Based on: "100 Best Companies to Work For," Fortune, February 7, 2011, pp. 91+, http://archive.fortune.com/magazines/fortune/bestcompanies/2011/full_list/ (accessed July 23, 2014); V. Nayar, "Employee Happiness: Zappos vs. HCL," Businessweek.com, January 5, 2011, http://www.businessweek.com/managing/content/dec2010/ca20101231_263054.htm (accessed July 23, 2014); D. Richards, "At Zappos, Culture Pays," Strategy+Business Online, Autumn 2010, http://www.strategy-business.com/article/10311?pg=all (accessed July 23, 2014); T. Hseih, "Zappos's CEO on Going to Extremes for Customers," Harvard Business Review, July–August 2010, pp. 41–45, http://hbr.org/2010/07/how-i-did-it-zappos-ceo-on-going-to-extremes-for-customers/ar/1 (accessed July 23, 2014); A. Perschel, "Work-Life Flow: How Individuals, Zappos, and Other Innovative Companies Achieve High Engagement," Global Business & Organizational Excellence, July 2010, pp. 17–30, http://onlinelibrary.wiley.com/doi/10.1002/joe.20335/pdf (accessed July 23, 2014); and J. M. O'Brien, "Zappos Know How to Kick It," Fortune, February 2, 2009, pp. 54–60, http://archive.fortune.com/2009/01/15/news/companies/Zappos_best_companies_obrien.fortune/index.htm (accessed July 23, 2014).

[28] J. Wiscombe, "Flex Appeal—Not Just for Moms," *Workforce,* March 2002, 18.

[29] S. Roberts, "Companies Slow to Employ Alternative Work Options; Use of Arrangements Such as Flextime Is Up Slightly, If at All," *Business Insurance,* April 8, 2002, T3.

[30] S. F. Gale, "Formalized Flextime: The Perk That Brings Productivity," *Workforce,* February 2001, 38; and B. S. Gariety and S. Shaffer, "Wage Differentials Associated with Flextime," *Monthly Labor Review* 124, no. 3 (March 2001), 68–75.

Job sharing is a special type of part-time work. It allows two or more individuals to split a traditional forty-hour-a-week job. One person might perform the job from 8 A.M. to noon whereas another performs the same job from 1 P.M. to 5 P.M., or both could work full, but alternate, days. Job sharing, growing in popularity, allows organizations to draw on the talents of more than one individual for a given job. It provides the opportunity to acquire skilled workers who might not be available on a full-time basis.

HOW CAN MANAGERS USE EMPLOYEE RECOGNITION PROGRAMS?

Employee recognition programs consist of personal attention and expressions of interest, approval, and appreciation for a job well done.[31] A survey of organizations found that 84 percent had some type of program to recognize worker achievements.[32] Employees think these programs are important. A survey of a wide range of employees asked them what they considered the most powerful workplace motivator and their response was recognition, recognition, and more recognition![33]

Consistent with reinforcement theory, rewarding a behavior with recognition immediately following that behavior is likely to encourage its repetition. Supervisors can personally congratulate an employee in private for a good job. They can send a handwritten note or e-mail message acknowledging something positive that the employee has done. For employees with a strong need for social acceptance, accomplishments can be publicly recognized accomplishments. To enhance group cohesiveness and motivation, supervisors can celebrate team successes by throwing a pizza party to celebrate their accomplishments. These things may seem simple, but they can go a long way in showing employees they're valued.

During times of economic and financial uncertainty, supervisors' abilities to recognize and reward employees are often severely constrained. It's not surprising, then, that employees feel less connected to their work. In fact, a recent study by the Corporate Executive Board found that declining employee engagement has decreased overall productivity by 3 to 5 percent.[34] But there are actions supervisors can take to maintain and maybe even increase employees' motivation levels. One is to clarify each person's role in the organization. Show them how their efforts are contributing to improving the company's overall situation. It's also important to keep communication lines open and use two-way exchanges between top-level managers and employees to soothe fears and concerns. The key with taking any actions is continuing to show workers that the company cares about them. The value in companies comes from employees who are motivated to be there. Supervisors have to give employees a reason to want to be there.

[31] J. Singer, "Healing Your Workplace," *Supervision*, March 2011, pp. 11–13; P. Hart, "Benefits of Employee Recognition in the Workplace: Reduced Risk and Raised Revenues," *EHS Today*, February 2011, pp. 49–52; and F. Luthans and A. D. Stajkovic, "Provide Recognition for Performance Improvement," in E. A. Locke (ed.), *Principles of Organizational Behavior* (Oxford, England: Blackwell, 2000), pp. 166–180.

[32] K. J. Dunham, "Amid Sinking Workplace Morale, Employers Turn to Recognition," *Wall Street Journal*, November 19, 2002, p. B8.

[33] See B. Nelson, "Try Praise," *Inc.*, September 1996, p. 115; and J. Wiscombe, "Rewards Get Results," *Workforce*, April 2002, pp. 42–48. Cited in S. Caudron, "The Top 20 Ways to Motivate Employees," *Industry Week*, April 3, 1995, pp. 15–16.

[34] E. Frauenheim, "Downturn Puts New Emphasis on Engagement," *Workforce Management Online*, July 21, 2009; S. D. Friedman, "Dial Down the Stress Level," *Harvard Business Review*, December 2008, pp. 28–29; and S. E. Needleman, "Allaying Workers' Fears During Uncertain Times," *Wall Street Journal*, October 6, 2008.

HOW CAN EMPLOYEE STOCK OWNERSHIP PLANS AFFECT MOTIVATION?

Many companies are using employee stock ownership plans for improving and motivating employee performance. An **employee stock ownership plan (ESOP)** is a compensation program in which employees become part owners of the organization by receiving stock as a performance incentive. Also, many ESOPs allow employees to purchase additional stocks at attractive, below-market prices. Under an ESOP, employees often are motivated to give more effort because it makes them owners who will share in any gains and losses. The fruits of their labors are no longer just going into the pockets of some unknown owners—the employees *are* the owners! Do ESOPs positively affect productivity and employee satisfaction? The answer appears to be yes.

employee stock ownership plan (ESOP)
A compensation program that allows employees to become part owners of an organization by receiving stock as a performance incentive.

Comprehension Check 8-2

5. A person who has a compelling drive to succeed, to do something better than others, has a high _____.
   a. esteem need
   b. need for achievement
   c. need for people
   d. equity need
6. Which one of the following is *not* a direct linkage in expectancy theory?
   a. Effort–performance
   b. Rewards–personal goals
   c. Effort–personal goals
   d. Performance–rewards
7. Which one of the following is *not* a component of the core dimensions of a job?
   a. Skill variety
   b. Feedback
   c. Autonomy
   d. Role identity
8. A compensation plan that pays employees on the basis of the work they did is called
   a. competency-based compensation.
   b. pay-for-performance.
   c. compensation administration.
   d. none of the above.