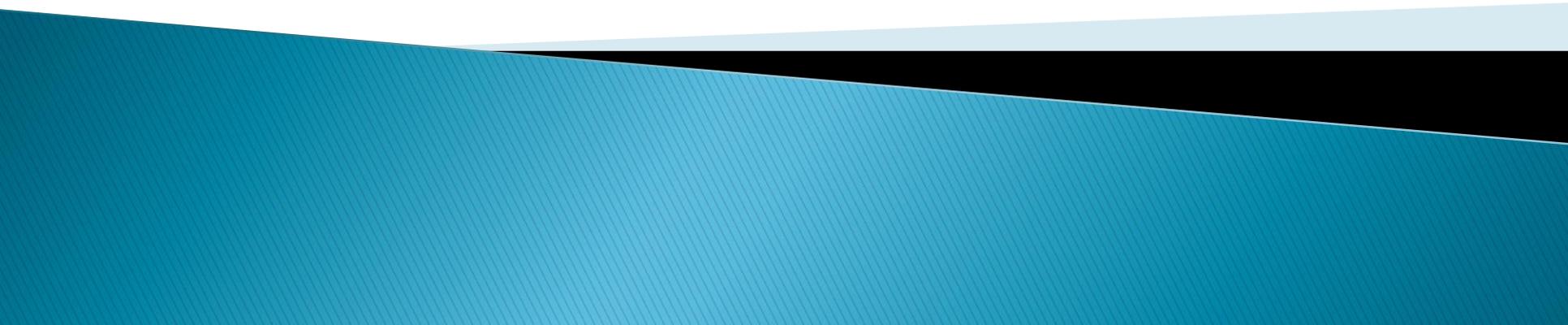


Unit 3: Organisation and Behaviour

Lesson 5

Dwayne Cargill
Colbourne College

February 24, 2016



Learning Outcome 2

- ▶ Learning Objectives:
- ▶ LO3 Understand ways of using motivational theories in organisations:
 - 3.1 Discuss the impact that different leadership styles may have on motivation in organisations in periods of change
 - 3.2 Compare the application of different motivational theories within the workplace
 - 3.3 Evaluate the usefulness of a motivation theory for managers

In This Session

- ▶ LO 3 Understand ways of using motivational theories in organisations
 - AC 3.1 Discuss the impact that different leadership styles may have on motivation in organisations in periods of change
 - Leadership and successful change in organisations: pluralistic; transformational; communications; conflict
 - AC 3.2 Compare the application of different motivational theories within the workplace
 - Motivation theories: Maslow's Hierarchy of Needs; Herzberg's Motivation – Hygiene theory; McGregor's Theory X and Y; Vroom and Expectancy theories; Maccoby, McCrae and Costa – personality dimensions
 - ▶ Assessment Criteria
 - ▶ Review Questions
 - ▶ References
- 

Assessment Criteria: 3.1

Discuss the impact that different leadership styles may have on motivation in organisations in periods of change

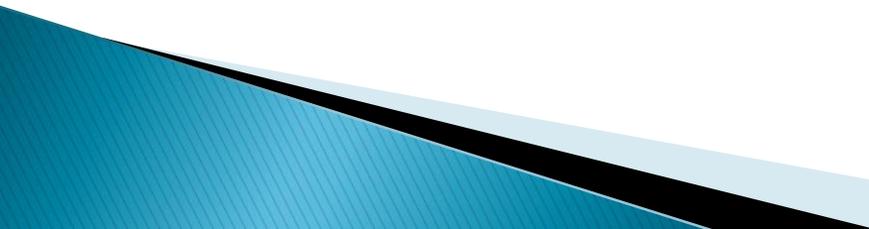
Introduction

- ▶ In LO 2 we learn about the different types of leadership styles (transformational, transactional, autocratic, etc). Now we look at these styles and their relationship with motivation in times of changes in the organisation.
- ▶ In order to get the level of long term success and sustainability the organizations need to take some practical steps. While talking about these practical steps for organizations, the scholars and researchers agree that organizations need to accept, adopt and implement changes in their business model according to changing trends, technologies, customer preferences and future concerns (Abbas and Asghar, 2010) .

Leadership Styles / Model

- ▶ Different types of leadership styles exist in work environments. Advantages and disadvantages exist within each leadership style. According to Johnson (2016) the culture and goals of an organization determine which leadership style fits the firm best.
- ▶ Some companies offer several leadership styles within the organization, dependent upon the necessary tasks to complete and departmental needs.

Organisational Change

- ▶ At the one end when, Caetano takes the organizational change as a demand of time to remain successful in business (Caetano, 1999) Boston, at the other end claims that organizational change is important for long term success and survival of an organization. There are possibilities for organizations to lose their reputations and market share if they do not prepare themselves according to rapidly changing circumstances and situations. (Boston, MA, 2000). Different authors describe the significance of organizational change in different ways, but it's an accepted fact that organizational change is important for sustainable business and long term success.
 - ▶ Organizational change is a process in which a most desirable and suitable future form of an organization is perceived and a route map is decided to get this new shape.
- 

Organisational Change cont

- ▶ Knowing the importance and implication of organizational change and admitting the fact that organizational change is the demand of a time, for sustainable success and leader/leadership can play a key role in bringing and implementing these changes, by deciding the desired form of an organization and taking the practical steps which are needed for the process.
 - ▶ The next obvious question which one can have, that what kind of leadership is needed for successful organizational change?
- 

Pluralistic Organisation

- ▶ An organization that has a relatively diverse employee population and makes an effort to involve employees from different gender, racial, or cultural backgrounds. have a more diverse employee population and take steps to involve persons from different gender, racial, or cultural backgrounds.
 - ▶ These organizations use an affirmative action approach to managing diversity: they actively try to hire and train a diverse workforce and to ensure against any discrimination against minority group members. They typically have much more integration than do monolithic organizations, but like monolithic organizations, they often have minority group members clustered at certain levels or in particular functions within the organization.
- 

Pluralistic Organisation

- ▶ Because of greater cultural integration, affirmative action programs, and training programs, the pluralistic organization has some acceptance of minority group members into the informal network, much less discrimination, and less prejudice.
 - ▶ Improved employment opportunities create greater identification with the organization among minority group members. Often the resentment of majority group members, coupled with the increased number of women and minorities, creates more conflict than exists in the monolithic organization.
- 

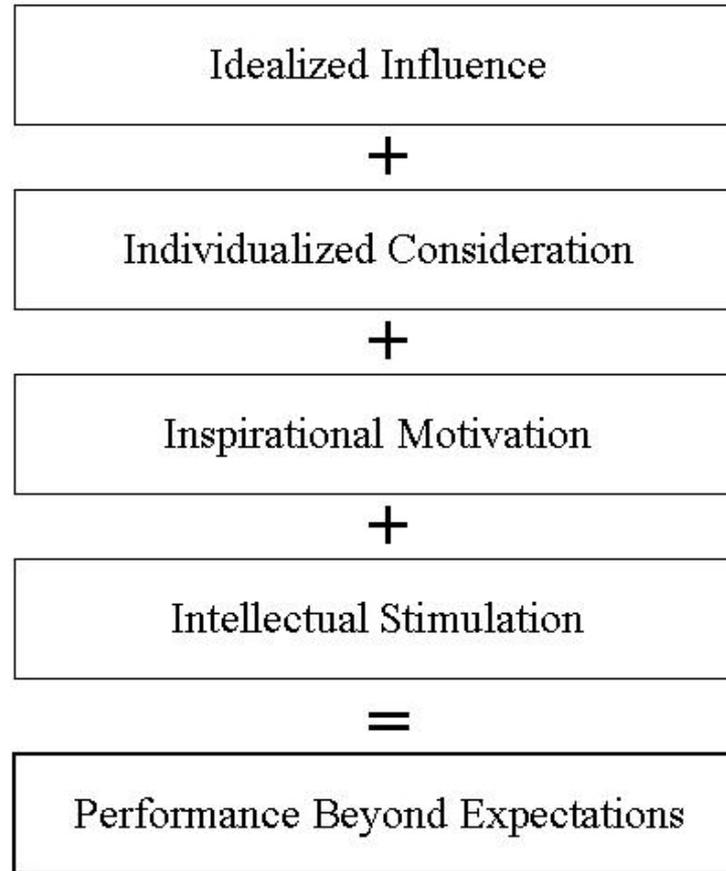
Transformational Leadership

- ▶ There are four factors to transformational leadership, (also known as the “four I’s”): idealized influence, inspirational motivation, intellectual stimulation, and individual consideration. Each factor will be discussed to help managers use this approach in the workplace.
 - ▶ **Idealized** influence describes managers who are exemplary role models for associates. Managers with idealized influence can be trusted and respected by associates to make good decisions for the organization.
 - ▶ **Inspirational** motivation describes managers who motivate associates to commit to the vision of the organization. Managers with inspirational motivation encourage team spirit to reach goals of increased revenue and market growth for the organization.
 - ▶ **Intellectual** Stimulation describes managers who encourage innovation and creativity through challenging the normal beliefs or views of a group. Managers with intellectual stimulation promote critical thinking and problem solving to make the organization better.
- 

Transformational Leadership

- ▶ **Individual** consideration describes managers who act as coaches and advisors to the associates. Managers with individual consideration encourage associates to reach goals that help both the associates and the organization.
- ▶ Effective transformational leadership results in performances that exceed organizational expectations. Figure 1 on slide 13 illustrates the “additive” effect of transformational leadership because managers must pull together the components to reach “performance beyond expectations” (Northouse, 2001)

Effect of transformational leadership.



Conflict in Organisation

- ▶ Conflict is unavoidable in the workplace.
 - ▶ Conflicts may be created in the workplace from various ways including: opposing positions, competitive tensions, power struggles, ego, pride, jealousy, performance discrepancies, compensation issues, just someone having a bad day, etc.
- 

Handling Conflict in the Workplace

Myatt (2012) identify 5 keys for dealing with conflict in the workplace:

1. **Define Acceptable Behaviour:** You know what they say about assuming
 2. **Hit Conflict Head-on:** While you can't always prevent conflicts, it has been my experience that the secret to conflict resolution is in fact conflict prevention where possible.
 3. **Understanding the WIIFM Factor:** Understanding the other professionals WIIFM (What's In It For Me) position is critical.
 4. **The Importance Factor:** Pick your battles and avoid conflict for the sake of conflict.
 5. **View Conflict as Opportunity:** Hidden within virtually every conflict is the potential for a tremendous teaching/learning opportunity.
- 

Assessment Criteria

3.2:

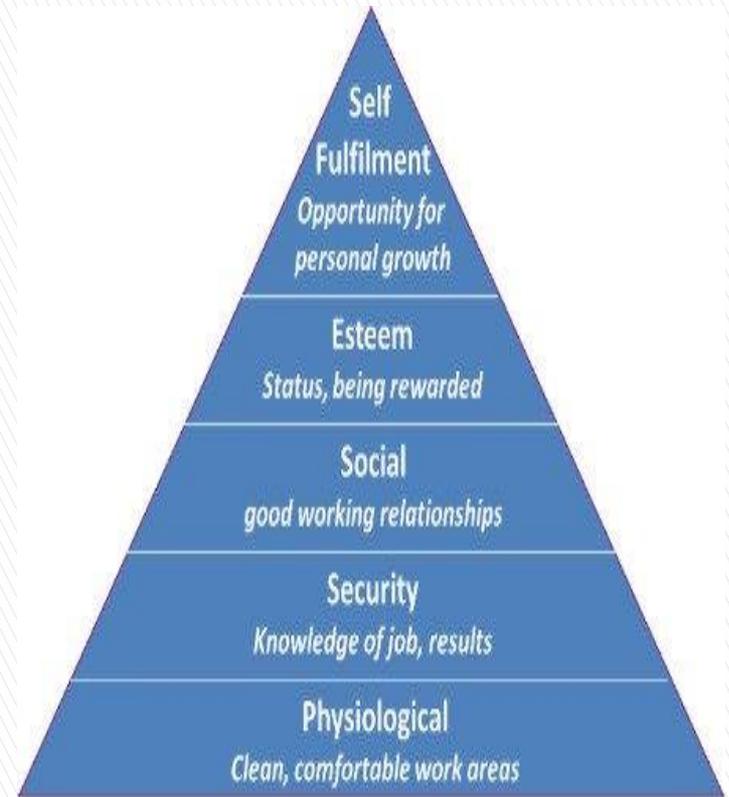
Compare  the application of different motivational theories within the workplace

Motivational Theories

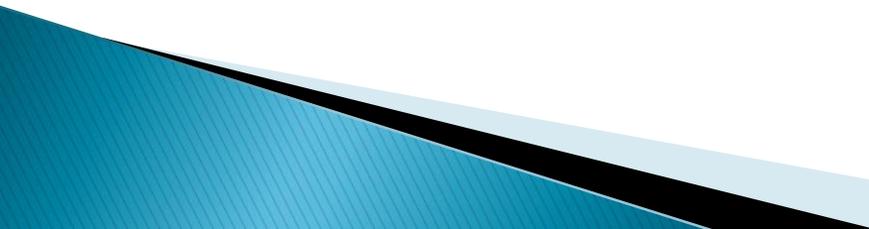
- ▶ Several theories have proposed ways to motivate employees in the workplace to increase productivity and efficiencies. Some such theories include:
 - Maslow's Hierarchy of Needs;
 - Herzberg's Motivation – Hygiene theory;
 - McGregor's Theory X and Y;
 - Vroom and Expectancy theories;
 - Maccoby, McCrae and Costa – personality dimensions

Maslow's Hierarchy of Needs

- ▶ Maslow believed that the needs of an individual could be expressed in the form of a hierarchy of needs or a pyramid. This theory of motivation can be applied to the workplace as well as other scenarios.
- ▶ The most basic needs were physiological. Unless an individual has food and shelter, Maslow believed it was pointless trying to motivate them at a higher level.



Maslow's Needs cont

- ▶ Once this need first need is met, the employee is then motivated to gain a sense of security.
 - ▶ In a difficult economic climate, do you as a manager keep your employees sufficiently informed of their job prospects, or is there a heavy reliance on the grape vine?
 - ▶ When a job is felt to be reasonably secure, the employee is next motivated by social aspects. Do you foster a good working atmosphere in your workplace? Is there a strong sense of teamwork? Do employees communicate in lots of different ways?
 - ▶ When a good social network is in place, the employee then looks for a feeling of self esteem. When your employees do a good job, is it noticed? do you have reward systems in place? Do you give lots of positive feedback?
 - ▶ And finally, when all the other factors are in place, the employee is looking for self-fulfilment. Do your employees have opportunities to learn and grow at work? Do you provide training opportunities, work on project teams, job transfers?
- 

Herzberg's Motivation – Hygiene theory

- ▶ Herzberg came up with one of the more popular motivation theories. He felt that certain conditions, or 'hygiene factors', had to be in place for employees to be satisfied, but these did not necessarily motivate the employees.

Hygiene Factors

Status

Security

Work conditions

Work relationships

Pay

Bureaucracy

Motivators

Being able to achieve

Being recognised

Given responsibility

Growing and learning in the job



- *Absence of hygiene factors leads to dissatisfaction; presence does not lead to motivation*
- *Motivators work more powerfully than hygiene factors*

Herzberg's Motivation – Hygiene theory

- ▶ According to practical-management-skills.com (2016) for example, if an employee is working below the minimum wage, it is not likely that he/she will be motivated until a perceived fair rate of pay is given. At the same time, if an employee is well paid, Herzberg believed that a pay rise would not have a lasting motivational effect.
- ▶ Herzberg suggested that once the hygiene factors were met, employers should focus on recognising the achievements of the employee and providing opportunities to learn and grow. So the motivation theories of Maslow and Herzberg were similar in this regard.

McGregor's Theory X and Y

- ▶ The concept of Theory X and Theory Y managers was first developed by Douglas McGregor. He was able to show that Theory Y managers are better able to create employee engagement.

Theory X managers believe employees	Theory Y managers believe employees
<ul style="list-style-type: none">• need to be controlled• don't like work• need to be pushed to be more productive• need incentive schemes• have to be directed to do things that they don't enjoy	<ul style="list-style-type: none">• want to be involved• can think for themselves and make decisions• share ownership of tasks• will find work more rewarding if given responsibility and a variety of tasks• have good ideas• can engage in some level of self-management

Vroom and Expectancy theories

- ▶ According to Barnett (2016) Victor Vroom suggested that individuals choose work behaviours that they believe lead to outcomes they value. In deciding how much effort to put into a work behaviour, individuals are likely to consider:
 - Their expectancy, meaning the degree to which they believe that putting forth effort will lead to a given level of performance.
 - Their instrumentality, or the degree to which they believe that a given level of performance will result in certain outcomes or rewards.
 - Their valence, which is the extent to which the expected outcomes are attractive or unattractive.
- 

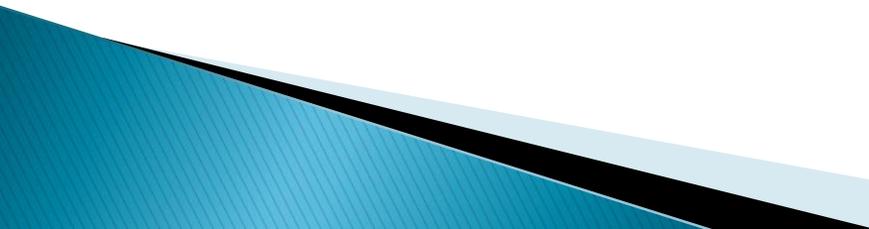
Vroom and Expectancy theories cont

- ▶ All three of these factors are expected to influence motivation in a multiplicative fashion, so that for an individual to be highly motivated, all three of the components of the expectancy model must be high.
- ▶ And, if even one of these is zero (e.g., instrumentality and valence are high, but expectancy is completely absent), the person will have not motivation for the task. Thus, managers should attempt, to the extent possible, to ensure that their employees believe that increased effort will improve performance and that performance will lead to valued rewards.

Costa and McCrae – Model of Personality

- ▶ Costa and McCrae (1976) outlined a model of personality that they called the NEO model. The name NEO summarised the three personality factors on which they based their model:
 - ‘N’ for Neuroticism;
 - ‘E’ for Extroversion (with both of those factors being similar to the original two Eysenck concepts),
 - ‘O’, or Openness to Experience.
- ▶ *Read page 1.12*
www.facet5global.com/_literature_102979/Facet5_an_introduction

Applying Motivational Theories

- ▶ According to Ingram (2016) motivational theories attempt to explain what motivates people to behave the way they do.
 - ▶ Motivational theories can be applied to workplace settings to shed light into why some employees work harder or are more committed than others, which can lead managers to understand how to motivate each employee to perform at peak levels.
 - ▶ Understanding how to apply motivational theories in the workplace can take your leadership skills to the next level.
- 

Applying Motivational Theories

Ingram (2016) indicates 4 steps in applying the motivational theories in the workplace.

Step 1

- Use traditional and innovative compensation strategies to leverage the expectancy theory.

Step 2

- Tie compensation incentives directly into specific performance objectives to push your employees to excel.

Step 3

- Institute employee development programs, employee recognition programs and a positive, open company culture to tap into the acquired needs theory.

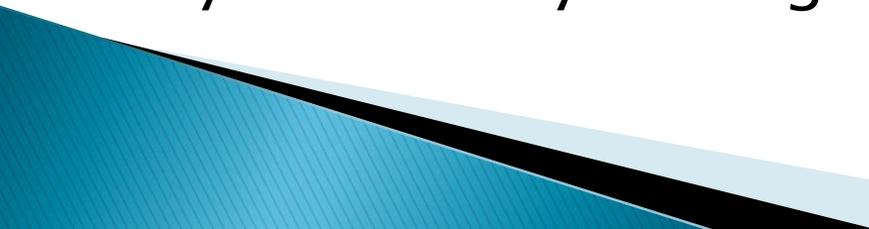
Step 4

- Gauge the intrinsic motivation of your employees to determine whether McGregor's Theory X or Theory Y is more appropriate in your company

Assessment Criteria

- ▶ To discuss in Class

Review Questions

- ▶ How can a leader manage change in an organisation to minimise disruption/resentment from staff?
 - ▶ Identify two theories that can be used in the workplace to motivate workers who are satisfied with the salary received and explain the needs you could target?
 - ▶ You are a manager who subscribe to the views of Theory X, what kind of leadership style would you use in your organisation?
- 

Further Reading

- ▶ <https://www.diva-portal.org/smash/get/diva2:326289/FULLTEXT01.pdf>
- ▶ <http://businesscasestudies.co.uk/cmi/the-importance-of-effective-management/people-focused-management.html#axzz411ldtceR>
- ▶ www.facet5global.com/_literature_102979/Facet5_an_introduction

References

- ▶ Abbas, Wasim and Asghar, Imran (2010) The role of leadership in organizational Change: Relating the Successful Organizational change to Visionary and Innovative Leadership retrieved from <https://www.diva-portal.org/smash/get/diva2:326289/FULLTEXT01.pdf>
- ▶ Barnett, Tim (2016) *Motivation and Motivation Theory* retrieved from <http://www.referenceforbusiness.com/management/Mar-No/Motivation-and-Motivation-Theory.html#ixzz411BJUeCi>
- ▶ Businesscasestudies.uk.co (2016) The Importance of Effective Management retrieved from <http://businesscasestudies.co.uk/cmi/the-importance-of-effective-management/people-focused-management.html#axzz411ldtceR>
- ▶ Ingram, David (2016) *How to apply Motivational Theory in the Workplace* retrieved from <http://smallbusiness.chron.com/apply-motivational-theories-workplace-10962.html>
- ▶ Myatt, mike (2012) 5 Keys of Dealing with Workplace Conflict retrieved from <http://www.forbes.com/sites/mikemyatt/2012/02/22/5-keys-to-dealing-with-workplace-conflict/#581e9bd915a0>
- ▶ practical-management-skills.com (2016) How Motivation Theories Impact The Workplace retrieved from <http://www.practical-management-skills.com/motivation-theories.html#sthash.pYTf4HNf.dpuf>