

Employee Motivation & Human Resources Management

BA291

Learning Objectives

1. Define *motivation*, and identify the classical motivation theories.
 2. Explain why many consider expectancy theory to be the best current explanation of employee motivation.
 3. Identify the strengths and weaknesses of goal-setting theory.
 4. Describe the *job characteristics model*, and explain how it helps predict motivation and performance.
 5. Define *reinforcement theory*, and differentiate between positive and negative reinforcement.
 6. List five human resources management functions.
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What motivates you to
perform at your best?

What Motivates Employees to Peak Performance?

- **Motivation**

- The combination of forces that *move* individuals to take certain *actions* and avoid other actions

- **Engagement**

- An employee's rational and emotional commitment to his or her work

Four Indicators of Motivation



Four Fundamental Needs

What behaviours
are our incentives
encouraging?

The drive to
acquire

The drive to
bond

What behaviours
does our culture
encourage?

Are people
connected to the
bigger picture?

The drive to
comprehend

The drive to
defend

Can we share
thoughts openly
and candidly?

Classical Theories of Motivation

- **Scientific management**

- A management approach designed to improve employees' efficiency by scientifically studying their work



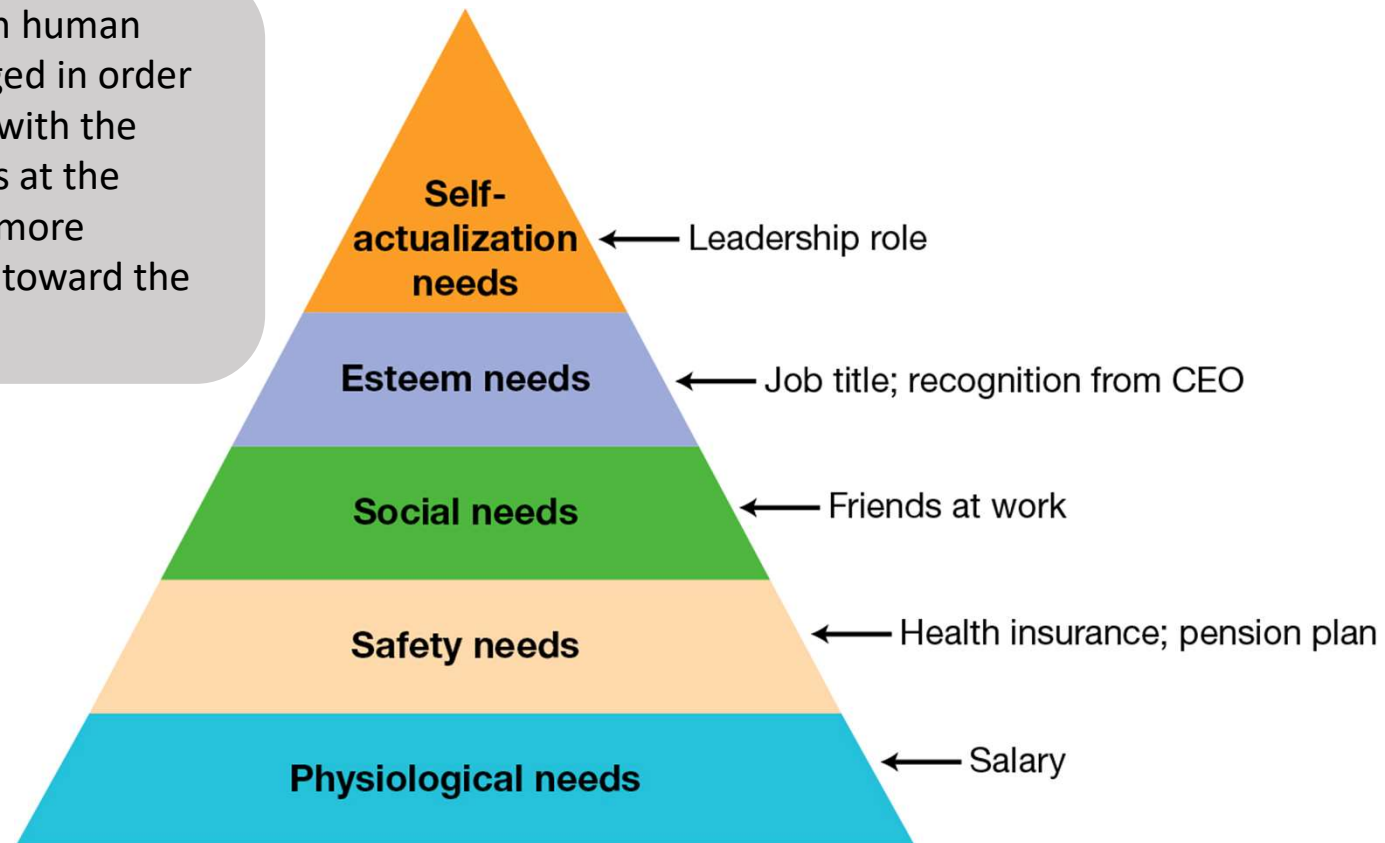
The Hawthorne Studies and the “Hawthorne Effect”

- **The Hawthorne effect**

- A supposed effect of organizational research, in which employees change their behavior because they are being studied and given special treatment
- Validity of the effect is uncertain, and the Hawthorne studies were richer and more influential than this simple outcome would suggest

Maslow's Hierarchy of Needs

A model in which human needs are arranged in order of their priority, with the most basic needs at the bottom and the more advanced needs toward the top



Theory X & Y

Theory X

- A managerial assumption that employees are irresponsible, are unambitious, and dislike work and that managers must use force, control, or threats to motivate them

Theory Y

A managerial assumption that employees enjoy meaningful work, are naturally committed to certain goals, are capable of creativity, and seek out responsibility under the right conditions

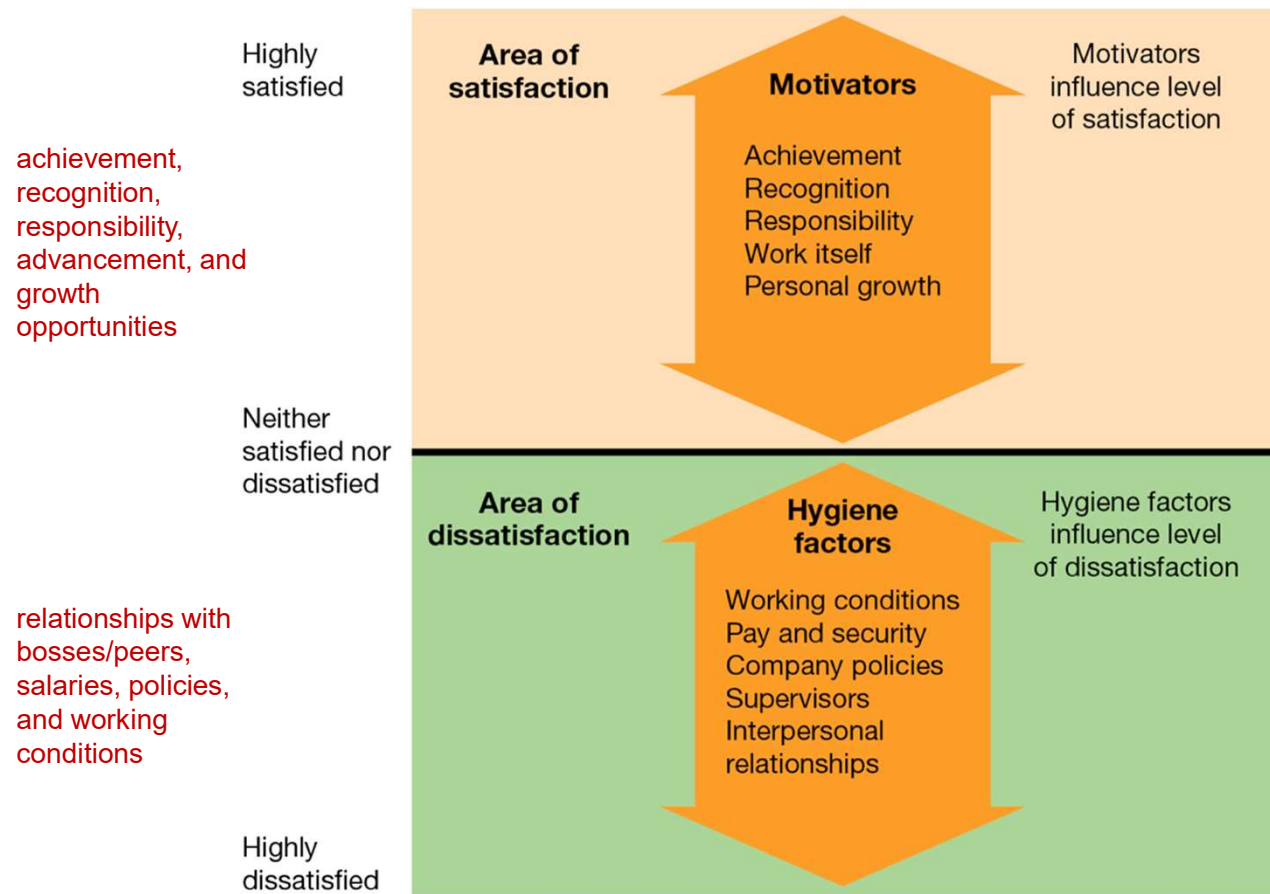
Herzberg's Two Factors

- **Herzberg's two-factor theory**

- A model that divides motivational forces into satisfiers (“motivators”) and dissatisfiers (“hygiene factors”)



Herzberg's Two-Factor Theory



The things that caused satisfaction or motivation were intrinsic to the job itself

the things that caused dissatisfaction were provided extrinsically (not part of the job)

McClelland's Three Needs

- **Three-needs theory**

- David McClelland's model of motivation that highlights the needs for power, affiliation, and achievement

-End of classical theories-

*Do you think today's college students more closely match the descriptions of Theory X employees or Theory Y employees?
What evidence can you provide to support your conclusion?*

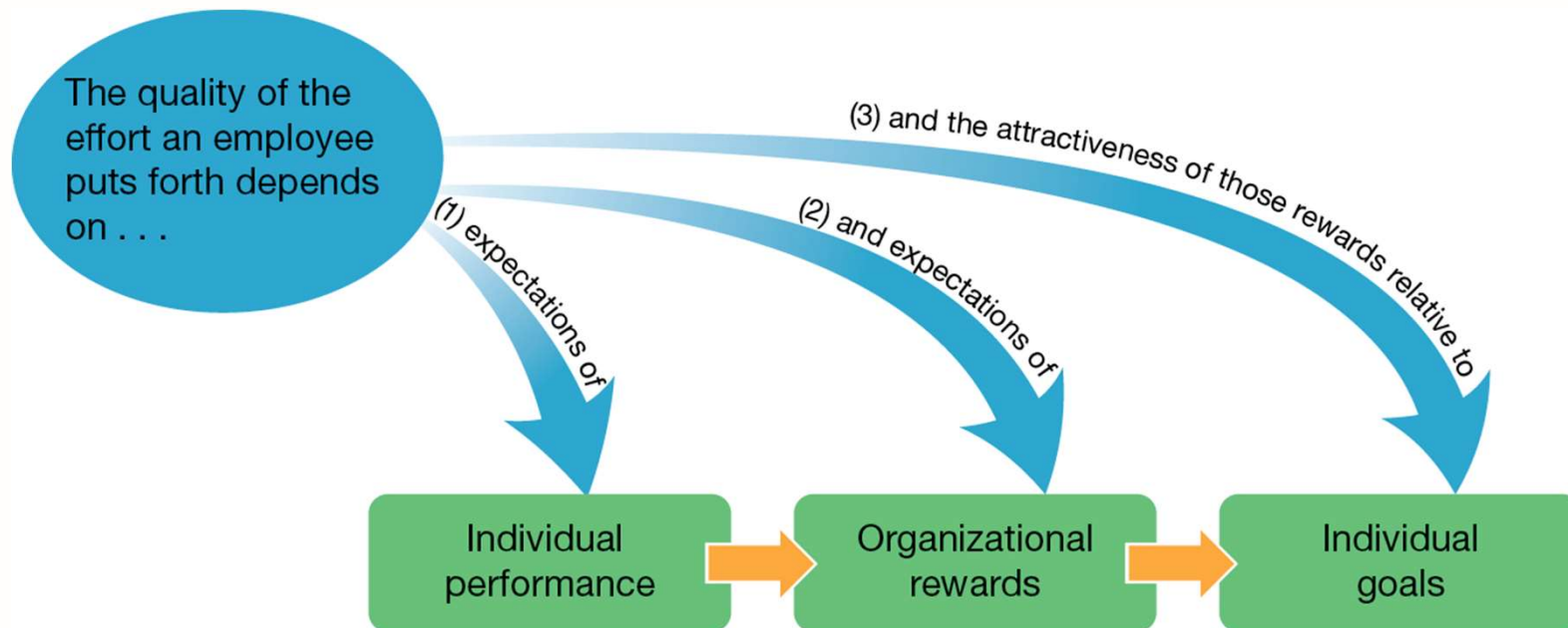
Explaining Employee Choices

- **Expectancy theory**

- ↳ The idea that the effort employees put into their work depends on expectations about their own ability to perform, expectations about likely rewards, and the attractiveness of those rewards

proposed by Victor Vroom of the Yale School of Management

Expectancy Theory



Explaining Employee Choices

- **Equity theory**

↳ The idea that employees base their level of satisfaction on the ratio of their inputs to the job and the outputs or rewards they receive from it

If a person perceives an inequity, the person will be motivated to reduce or eliminate the tension and perceived inequity.

Motivating with Challenging Goals

- **Goal-setting theory**
 - ↳ A motivational theory suggesting that setting goals can be an effective way to motivate employees

Motivating with Challenging Goals (cont.)

- Goals should be specific enough to give employees clarity and focus.
- Goals should be difficult enough to inspire energetic and committed effort.
- There should be clear “ownership” of goals so that accountability can be established.
- Individuals’ should have belief in their ability to meet their goals.

History

 pm 2

MBOs

The Effective Executive
by Peter Drucker

1967

1973

S.M.A.R.T

George Doran's
"S.M.A.R.T. Way"

1981

1984

KPIs

OKRs

John Doerr introduces
OKRs to Google

1990

1999

2012

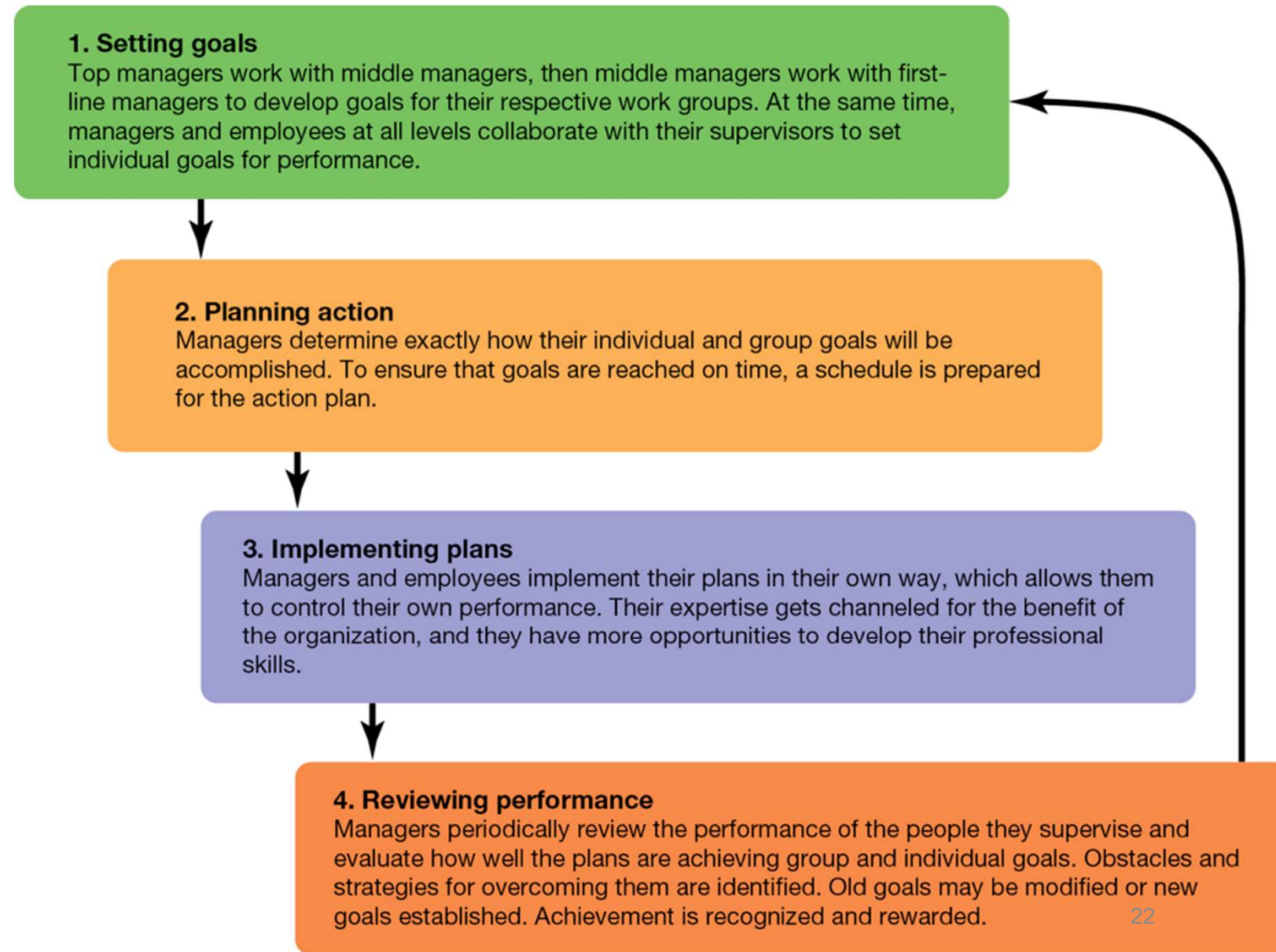
Balanced Scorecard

Dr.'s Kaplan & Norton write
The Balanced Scorecard

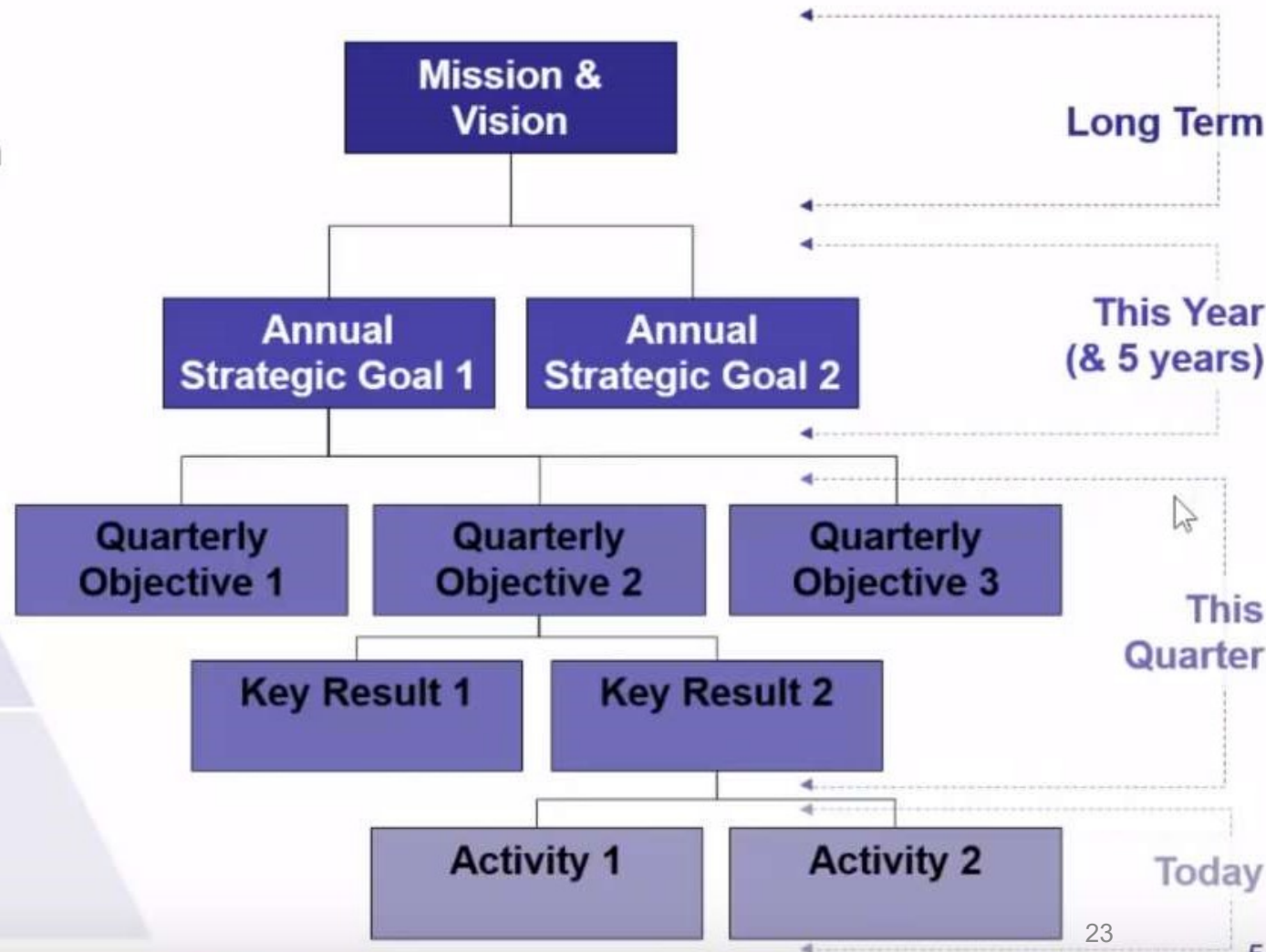
Management by Objectives

- **Management by objectives (MBO)**
 - A motivational approach in which managers and employees work together to structure personal goals and objectives for every individual, department, and project to mesh with the organization's goals

Management by Objectives



What are Objectives and Key Results?



Examples of Good OKRs

Increase our recurring revenue

- The share of monthly subscriptions increased to 85%
- Average subscription size of at least \$295 per month
- Reduce churn to less than 1% monthly

Improve internal employee engagement

- Average weekly satisfaction score of at least 4.8 points
- Conduct weekly Fun Fridays all-hands meetings with an external speaker
- Implement OKR's in all teams and departments by January 31st

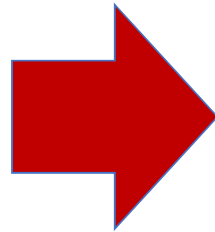
Risks and Limitations of Goal-Setting Theory

- Overly narrow goals
- Overly challenging goals
- Inappropriate time horizons
- Unintentional performance limitations
- Missed learning opportunities
- Unhealthy internal competition
- Decreased intrinsic motivation

Redesigning Jobs to Stimulate Performance

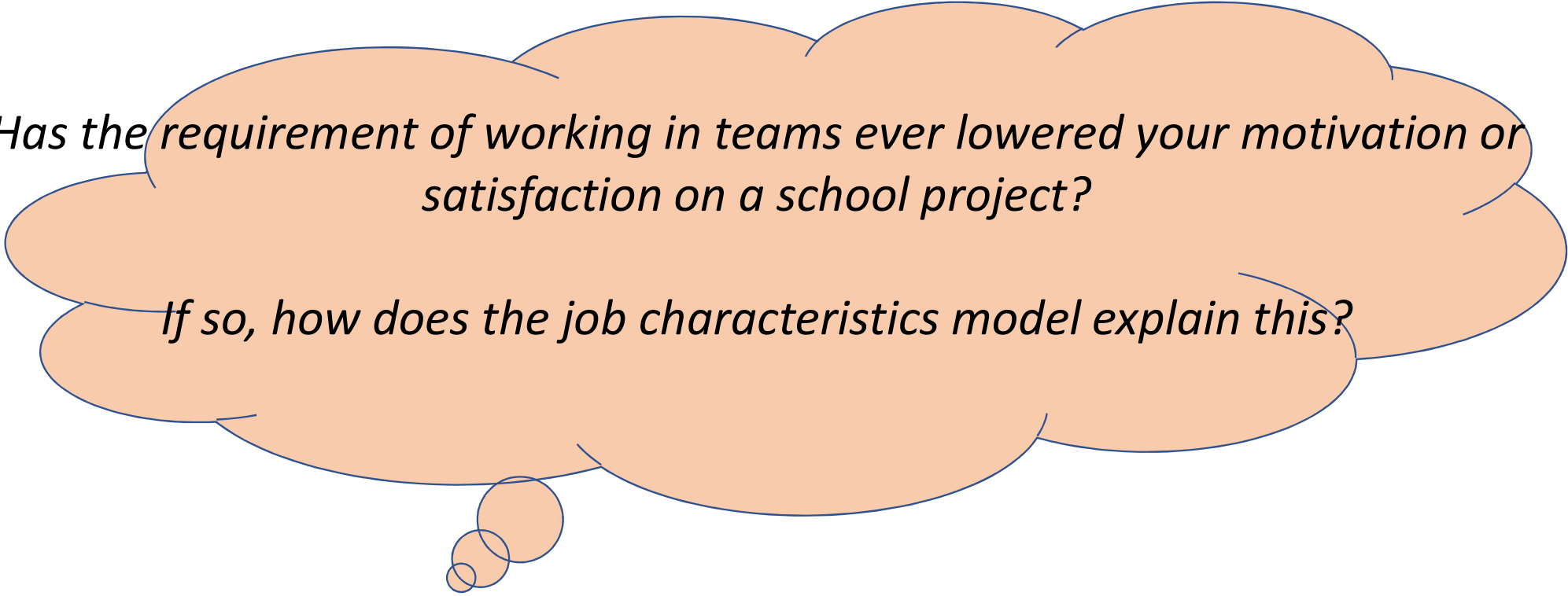
- **Job characteristics model**
 - ↳ A model suggesting that five core job dimensions influence three critical psychological states that determine motivation, performance, and other outcomes

Job Characteristics Model



Critical Psychological States

- ✓ Experienced meaningfulness of the work
- ✓ Experienced responsibility for results
- ✓ Knowledge of actual results



Has the requirement of working in teams ever lowered your motivation or satisfaction on a school project?

If so, how does the job characteristics model explain this?

Approaches to Modifying Core Job Dimensions

- **Job enrichment**

- ↳ Making jobs more challenging and interesting by expanding the range of skills required

- **Cross-training**

- ↳ Training workers to perform multiple jobs and rotating them through these various jobs to combat boredom or burnout



Reinforcing High-Performance Behavior

- **Reinforcement theory**

- A motivational approach based on the idea that managers can motivate employees by influencing their behaviors with positive and negative reinforcement

Types of Reinforcement

- **Positive reinforcement**

- Encouraging desired behaviors by offering pleasant consequences for completing or repeating those behaviors

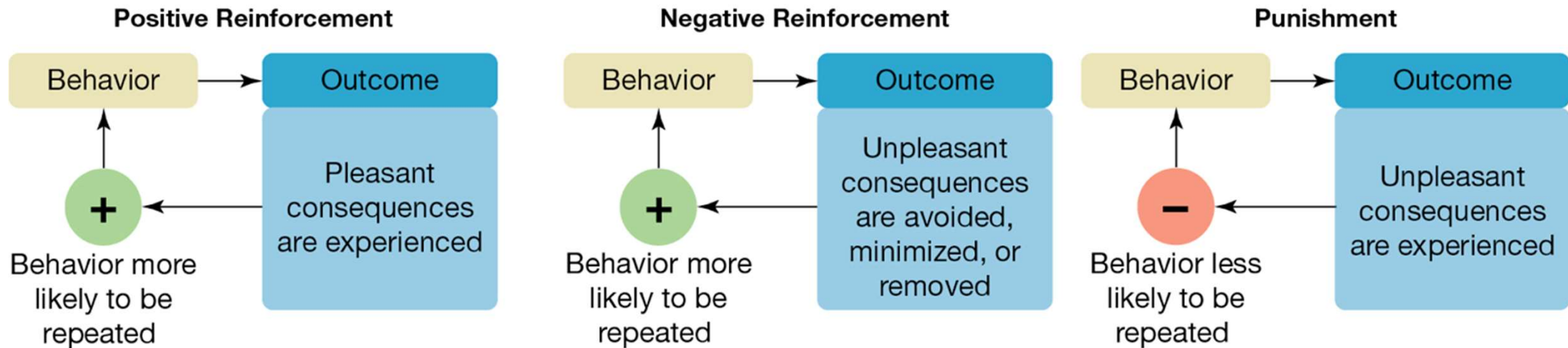


- **Negative reinforcement**

- ↳ Encouraging the repetition of a particular behavior (desirable or not) by removing unpleasant consequences for the behavior



Reinforcement and Punishment



Motivational Strategies

- Providing **timely** and **frequent** feedback
- Personalizing motivational efforts
- **Adapting** to circumstances and special needs
- Tackling workplace problems before they have a chance to **destroy morale**
- Being inspirational leaders

Human Resources Management

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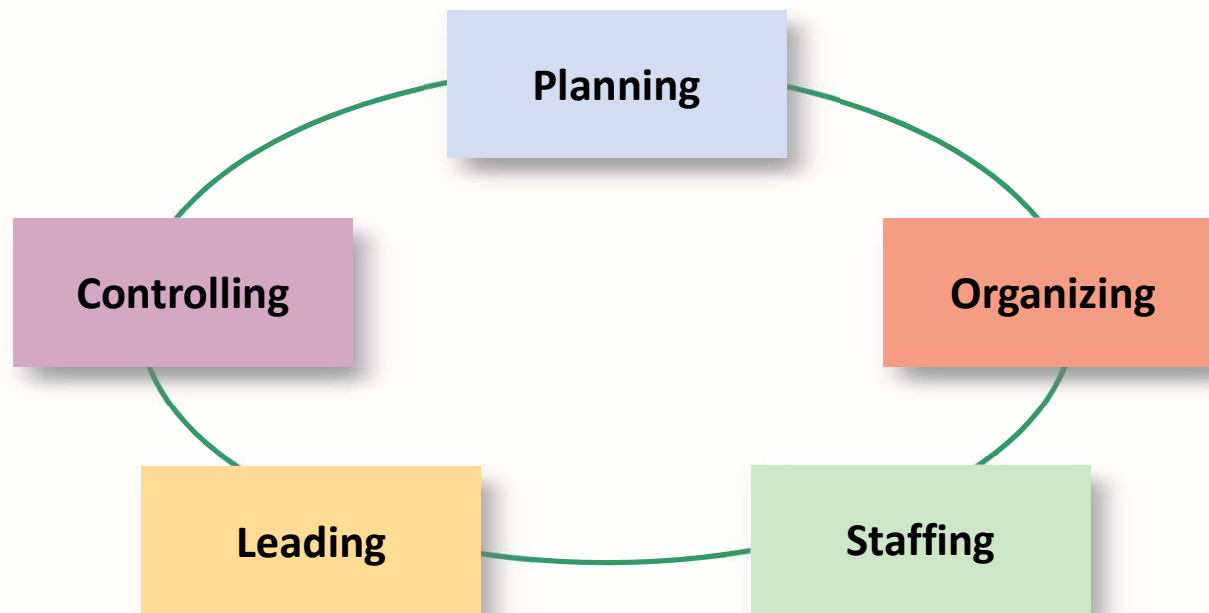
Differences between...

Management

VS

Human Resource Management

The Management Process



All managers get things done through the efforts of others!!

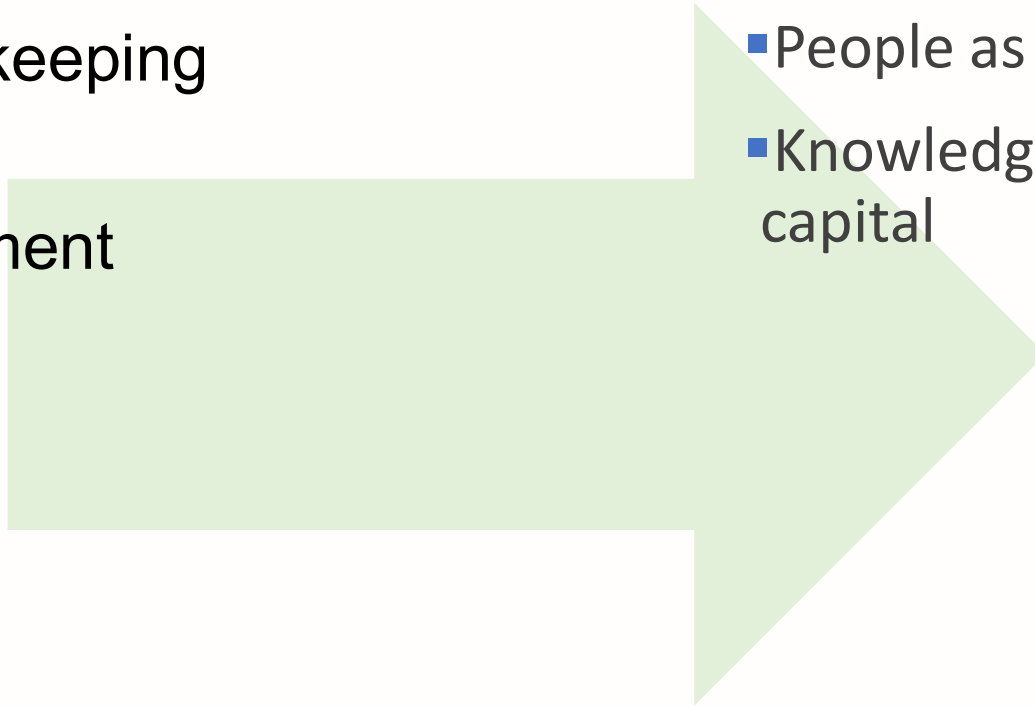
Traditional view

- Record keeping
- Payroll
- Employment

HRM

Strategic view

- People as critical resource
- Knowledge & experience as capital



Evolution of HRM

- From personnel department to strategic partner
- From centralized and staff function to decentralized and line function
- Forces for change: Move to service economy, competition, government regulation, technological revolution

Definitions of HRM

The policies and practices involved in carrying out the “people” or human resource aspects of a management position, including recruiting, screening, training, rewarding, and appraising.

Gary Dessler

Utilization of individuals to achieve organizational objectives

R. Wayne Mondy

So who should concern for HRM?



Did you know?

- The top business concern among executives was....

1. Staffing

Process of ensuring the organization always has

- Required number of employees
- Employees with appropriate skills
- Employees in the right jobs at the right time
- Constant job analysis, human resource planning, recruitment, and selection

1.1 Job analysis

- Systematic process of determining skills, duties, and knowledge required for performing jobs in an organization
- Impacts virtually every aspect of HRM (planning, recruitment, and selection)

1.2 Human Resource Planning

- Matching internal and external supply of people with anticipated job openings over a specified period of time
- Sets the stage for recruitment and other HR functions

1.3 Recruitment and Selection

- Recruitment: Attracting individuals to apply for jobs
 - Must be timely
 - Applicants need appropriate qualifications
 - Need sufficient number of applicants
- Selection: Choosing individual best suited for a particular position and the organization

2. Human Resource Development

- Training
- Development
- Career planning
- Career development
- Organizational development
- Performance management
- Performance appraisal
- *Talent Management

Did you know?

- Today's employees will work for approximately _____ companies during their careers.

3. Compensation

All rewards that individuals receive as a result of their employment

- Direct financial compensation
- Indirect financial compensation (benefits)
- Nonfinancial compensation

4. Safety and Health

- **Safety:** protecting employees from injuries caused by work-related accidents
- **Health:** Employees' freedom from illness and their general physical and mental well-being



5. Employee and Labor Relations

Businesses are required by law to recognize a union and bargain with it in good faith if firm's employees want a union to represent them

Human Resource Specialties



The Changing role of HR

- Can some HR tasks be performed more efficiently by line managers or outside vendors?
- Can some HR tasks be centralized or eliminated?
- Can technology perform tasks that were previously done by HR personnel?

Who performs HRM tasks?

- Human resource managers
- HR outsourcing
- HR shared service centers (SSCs)
- Professional employer organization (PEO) or employee leasing
- Line managers

HRM in action

- **Corporate Culture**

- System of shared values, beliefs, and habits within an organization that interacts with the formal structure to produce behavioral norms

- **Employer Branding**

- Firm's corporate image or culture created to attract and retain the type of employees the firm is seeking
- Companies want a brand that will entice individuals to join and remain with the firm