Organizations and Leadership

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MANAGEMENT IS NOTHING MORE THAN MOTIVATING OTHER PEOPLE.

Lee Lacocca (American automobile executive)



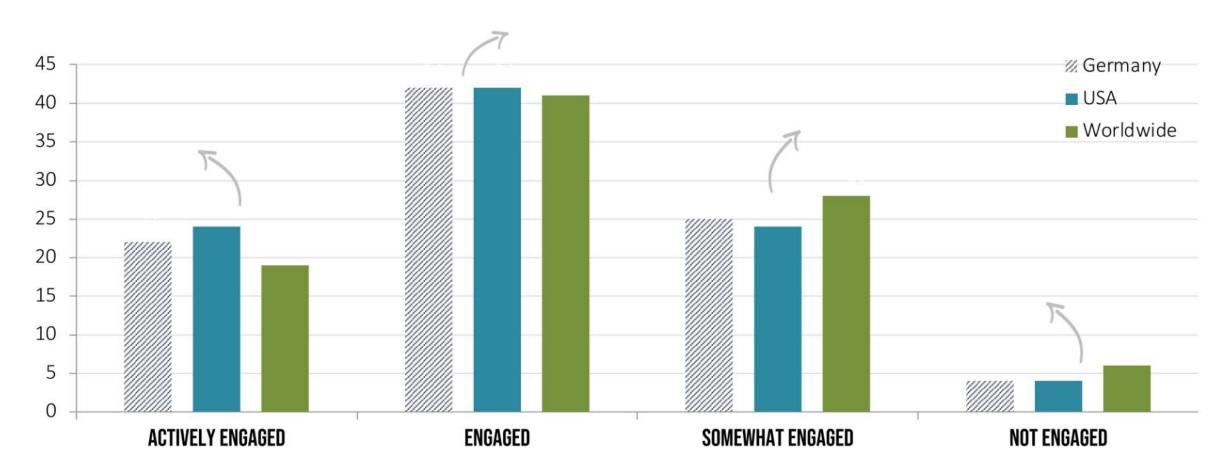


IF YOU CAN DREAM IT YOU CAN DO IT.

Walt Disney

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2016 Survey – Engagement in the Workplace (in %)



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Definition von Motivation

Motivation (Latin: movere meaning to move, to drive) is what gives a person incentive to pursue a desirable goal or object.

A motive prompts a person to do something. Motivation is the process that forms behavioral intentions. The psychological process of these intentions developing into actual behaviors is known as volition.

PSYCHOLOGY IS AN ESSENTIAL PART OF STUDYING MOTIVATION IN THE WORKPLACE. IT EXAMINES THE PERFORMANCE OF AN INDIVIDUAL WHICH IS DETERMINED BY WORK CONTENT AND WORK ENVIRONMENT.



Motivation vs. Motive

MOTIVATION



- a willingness to act
- motives as a whole
- influences decisions and actions of an individual
- an expectation that said actions will achieve a goal

MOTIVE



- personality traits
- preference of certain objectives
- stems from human behavior
- synonyms: desire, impulse, drive, need
- primary, innate behavior: maintaining optimum body temperature, sleep, sex, thirst, hunger, etc.
- secondary, learned behaviors: need for recognition, success, power, wealth, attractiveness, performance

Motivation Theories



CONTENT THEORIES

- Identify motives
- What are one's needs?



COGNITIVE THEORIES

- A combination of needs and actions
- How does one decide on a specific action?

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Content and Cognitive Theories

CONTENT THEORIES	COGNITIVE THEORIES
Hierarchy of Needs by Abraham H. Maslow (1943) (humanistic psychology)	Balance Theory (Different Forms of Work Satisfaction, Agnes Bruggemann, 1974)
ERG (Existence, Relatedness and Growth) Theory by Clayton P. Alderfer (1972) (humanistic psychology)	Expectancy Model by Lyman W. Porter and Edward E. Lawler (1968)
Achievement Motivation by David McClelland (1987) (general psychology)	Rubicon Model of Action Phases by Heinz Heckhausen and Peter M. Gollwitzer (1987)
Theory X and Theory Y by Douglas McGregor (1960) (occupational psychology)	Equity Theory by John Stacey Adams (1965)
Two-Factor Theory by Frederick Herzberg, Bernard Mausner & Barbara Bloch Synderman (1959) (occupational psychology)	Expectancy Theory (Expectancy, Instrumentality and Valence) by Victor H. Vroom (1946)
Motivation derived from idea management technology (occupational psychology)	Self-Evaluation Model of Achievement Motivation by Heinz Heckhausen (1975)
	Goal-Setting Theory by Edwin Locke (1984)
	Self-Regulation Theory by Albert Bandura (1991)
	Motivation Theory by Robert D. Pritchard and Elissa Ashwood (2008)

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Internal and External Sources of Motivation



EXTERNAL SOURCES OF MOTIVATION

- salary
- bonuses
- working conditions
- surroundings

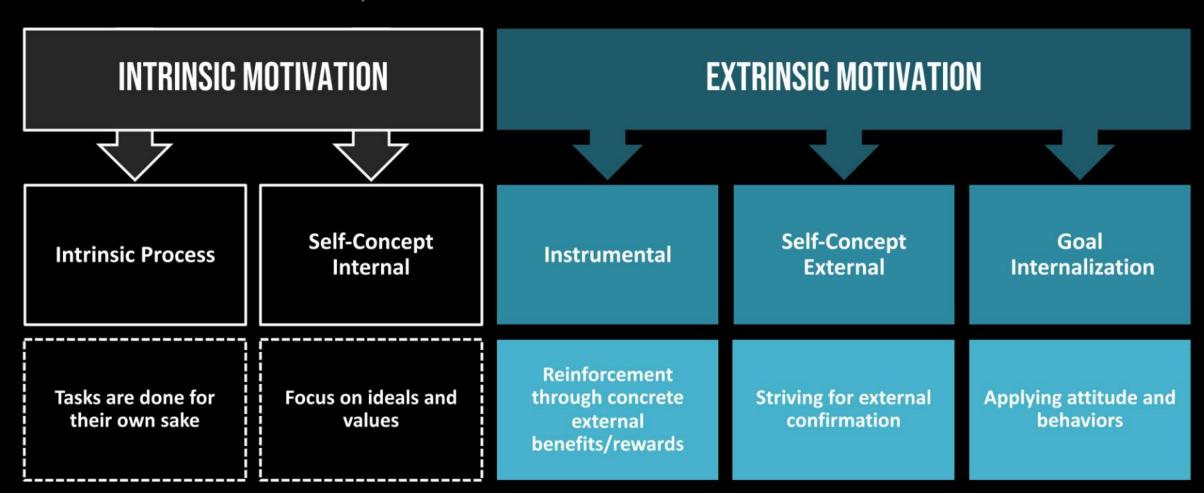


INTERNAL SOURCES OF MOTIVATION

- achieving goals
- positive feedback
- assuming responsibilities
- further training

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Five Sources of Motivation by Barbuto



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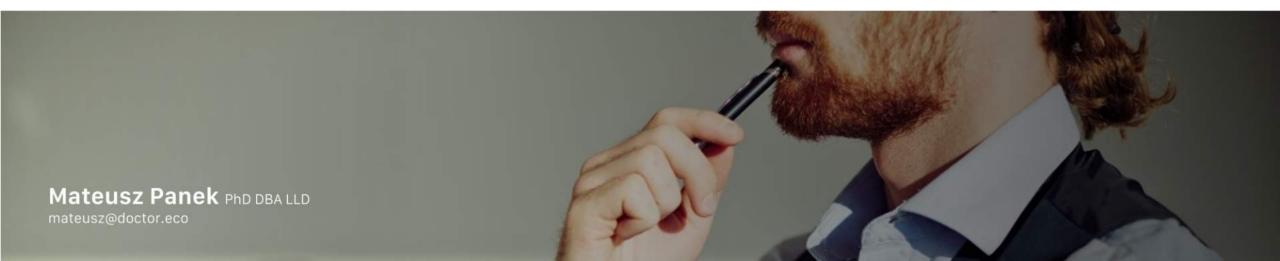
Extrinsic Motivation

COMPONENTS

BENEFIT: Actions are determined by specific and external benefits. Emphasis is on achievement.

AFFILIATION: Motivation is guided by one's role in society and the expectations in one's social environment. Emphasis is on belonging.

GOALS: A company's objectives are internalized. Emphasis is on a combination of achievement and belonging.

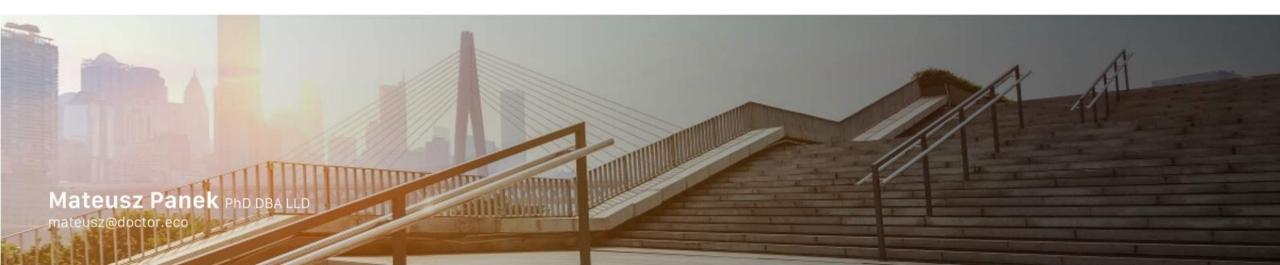


Intrinsic Motivation

COMPONENTS

INTERNAL PROCESS: A task is done simply for the sake of the task. The reason for the task is not relevant and neither are the benefits or rewards.

INTERNAL IMAGE: Focus is on internal standards and values, which form a guideline of action. There is a particularly strong motive to achieve (McClelland).

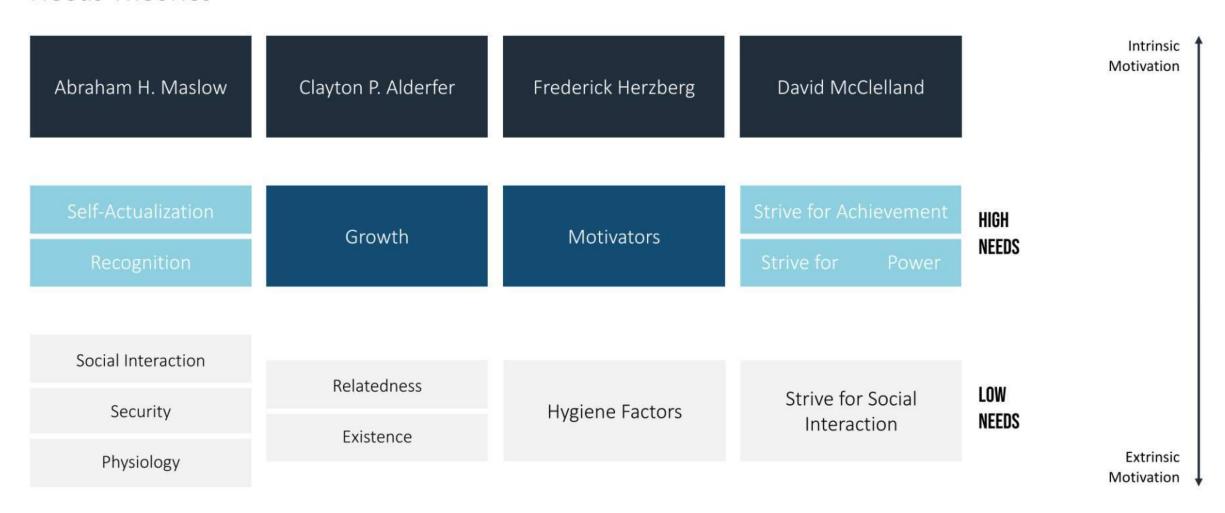




Overview

Humanistic psychology	Hierarchy of Needs by Abraham H. Maslow (1943)	
	ERG (Existence, Relatedness and Growth) Theory by Clayton P. Alderfer (1972)	
General psychology	Achievement Motivation by David McClelland (1987)	
Occupational psychology	Theory X and Theory Y by Douglas McGregor (1960)	
	Two-Factor Theory by Frederick Herzberg, Bernard Mausner & Barbara Bloch Synderman (1959)	
	Motivation derived from idea management technology	

Needs Theories



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Hierarchy of Needs by Abraham H. Maslow (1943)



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ERG (Existence Relatedness Growth) Theory by Clayton P. Alderfer (1972)

Regression &

Frustration



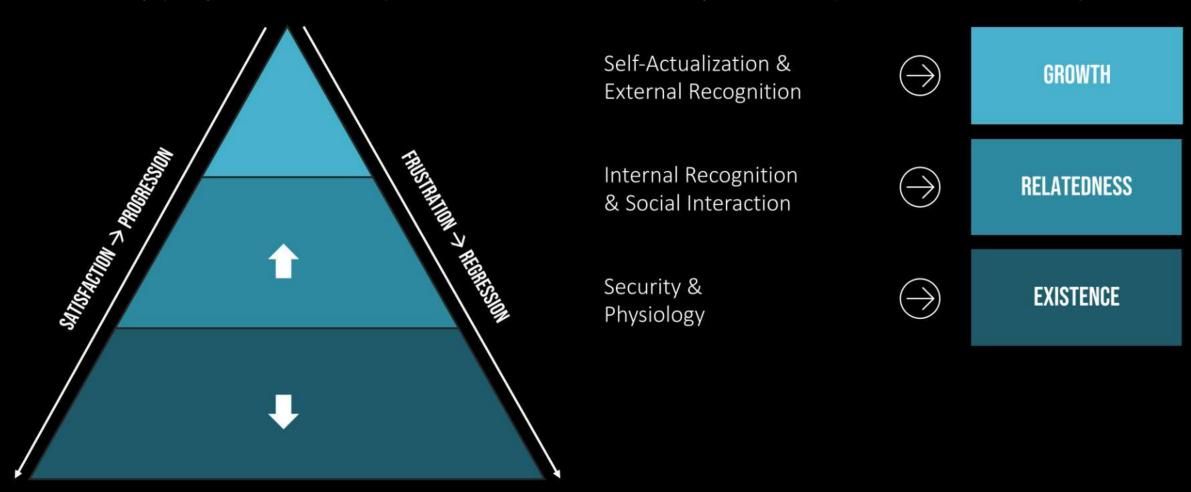
- Frustration and Regression Components
- When upper needs are met, lower ones don't need to be.
- If upper needs aren't met, lower needs are reactivated.

GROWTH RELATEDNESS **EXISTENCE**

Progression, Growth & Development

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ERG Theory (Clayton P. Alderfer) in Connection to Hierarchy of Needs (Abraham H. Maslow)



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Two-Factor Theory by Frederick Herzberg, Bernard Mausner & Barbara Bloch Synderman (1959)

	HYGIENE FACTORS	MOTIVATORS
NON-EXISTING	DISSATISFACTION	NO SATISFACTION
EXISTING	NO DISSATISFACTION	SATISFACTION

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Perspectives from Theory X and Theory Y (Douglas McGregor, 1960)

THEORY X

- Employees are lazy and shy away from work as much as possible.
- Employees are less ambitious and avoid taking responsibility.
- Employees have a strong need for security.
- Company goals can only be achieved with pressure and sanctions.
- Frequent supervision is essential.

THEORY Y

- Laziness at work is a result of poor working conditions.
- Employees accept specifications and have self-discipline and control.
- There is high, usable potential.
- Company goals can be achieved with rewards and character development.
- Employees accept responsibility.

AUTHORITATIVE LEADERSHIP

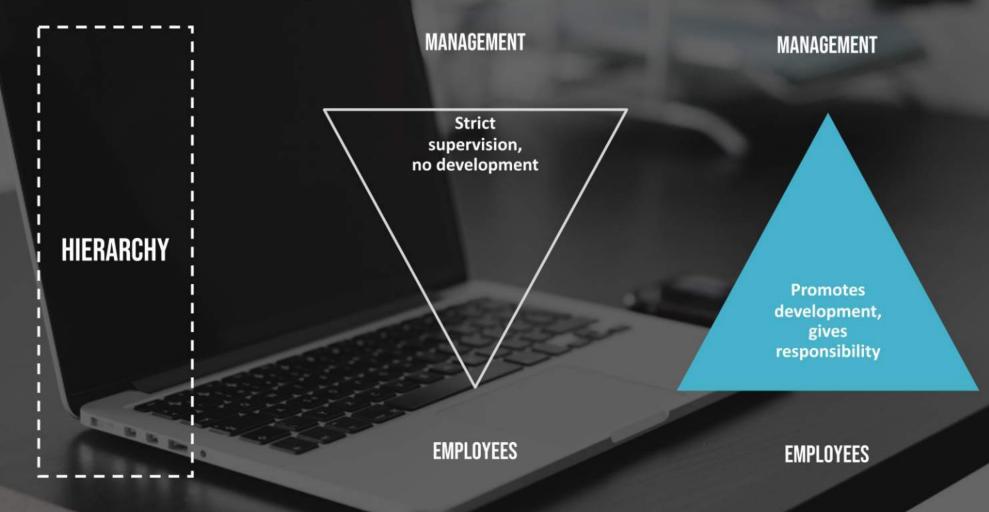
COOPERATIVE LEADERSHIP

Employee Attitudes from Theory X and Theory Y (Douglas McGregor, 1960)

THEORY X		THEORY Y
They don't like to work and will avoid it as much as possible.	ATTITUDE	They can enjoy their work under the right conditions.
They must be coerced to make an effort.	DIRECTION	They have their own goals in mind.
They don't want any responsibilities.	RESPONSIBILITY	They accept responsibilities.
They are motivated by money and only care about job security.	MOTIVATION	They are motivated to realize their full potential.

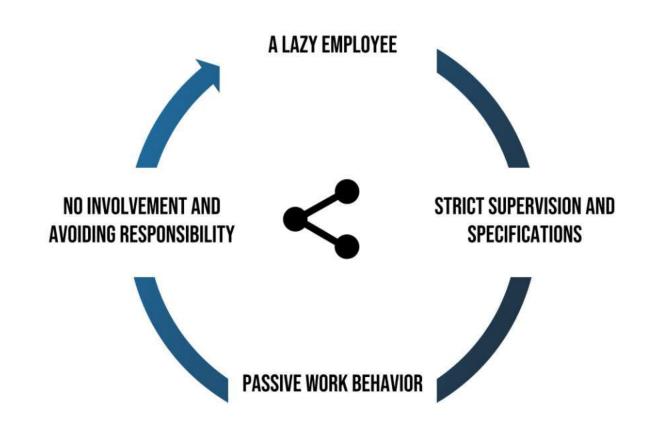
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Management's Role from Theory X and Theory Y (Douglas McGregor, 1960)



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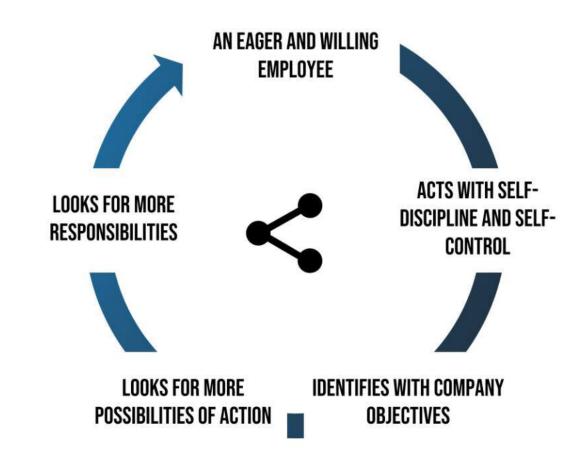
Theory Y by Douglas McGregor (1960)







Theory Y by Douglas McGregor (1960)







Theory Z after William G. Ouchi (1981)



APPLYING THIS THEORY:

- long-term employment
- joint responsibility and decision making
- implicit control with explicit variables



HUMAN PERSPECTIVE:

- strive for trust
- employees want to be a part of the company
- social relationships are changeable
- treating others with respect leads to increased production

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Fundamental Motives by David McClelland (1987)

DESIRES FEARS 1. Affiliation, security, attention 1. Worthlessness, rejection, isolation, loneliness 2. Achievement, success, change, progress 2. Failure, inability, weakness 3. Being inadequate, insignificant or disrespected, 3. Power, control, influence, status loss of control

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Fundamental Motives by David McClelland & Gary Yukl (1987) and Steven Reiss (2000)

PHYSICAL NEEDS

Affiliation
Power
Achievement
Status
Security



DRIVING FORCES

Food

Family
Order
Revenge
Curiosity
Recognition
Relationships
Independence
Activity

etc.

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Achievement Motivation Definition

ACHIEVEMENT MOTIVATION:

to work with perseverance until the task is competed successfully.

The need for achievement is measured by two factors:

- hope for success



Achievement-Based Actions



ACHIEVEMENT-BASED ACTIONS AIM TO IMPROVE PERFORMANCE (TASK-BASED) AND DEMONSTRATE ABILITY (EGO-BASED)

Taking their own inabilities into account, people attempt to

- over compensate with their strengths
- hide imperfections
- accept skill limits

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Theory of Achievement Motivation (John William Atkinson, 1957)



ACHIEVEMENT-ORIENTED EMPLOYEES PREFER RESPONSIBILITY, REGULAR FEEDBACK AND WORK INDEPENDENCE.



A SMALL PERCENTAGE OF ACHIEVEMENT-ORIENTED EMPLOYEES HAVE LITTLE NEED FOR POWER OR AFFILIATION.

Risk-Taking Model by John William Atkinson (1957)



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Motivation Derived from Idea Management Technology





COGNITIVE THEORIES

Overview

COGNITIVE THEORIES

Balance Theory (Different Forms of Work Satisfaction, Agnes Bruggemann, 1974)

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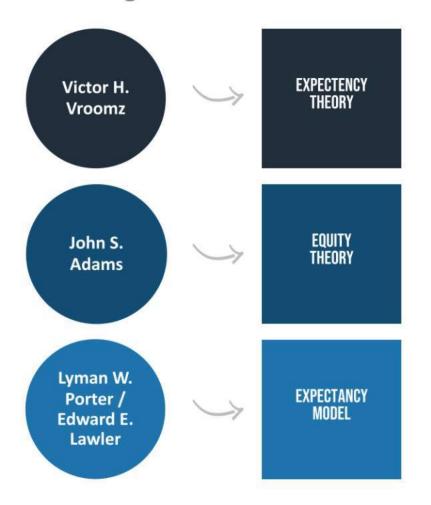
Goal-Setting Theory by Edwin Locke (1984)

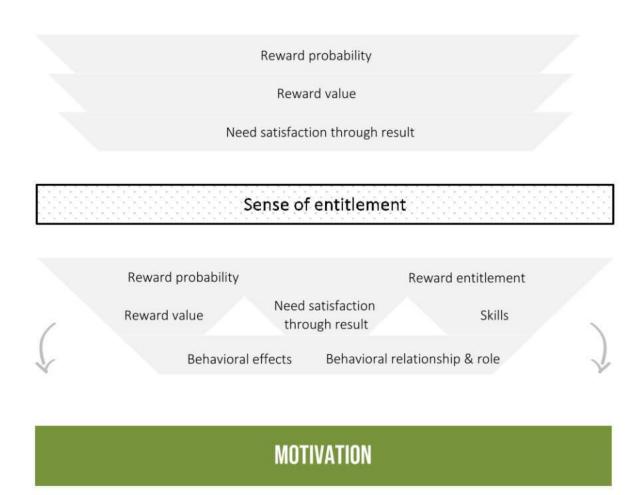
Self-Regulation Theory by Albert Bandura (1991)

Motivation Theory by Robert D. Pritchard and Elissa Ashwood (2008)

COGNITIVE THEORIES

Main Cognitive Theories



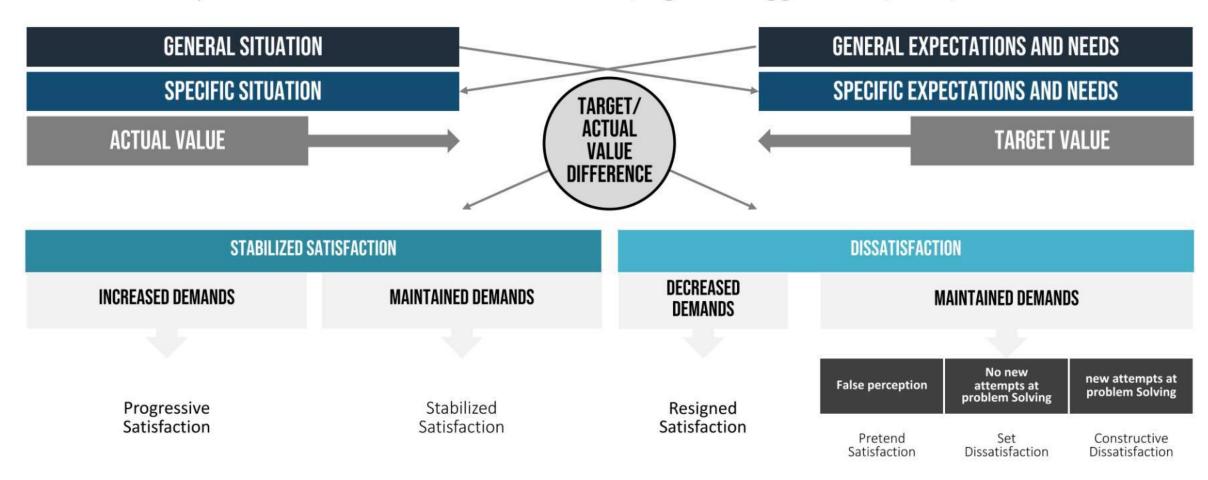


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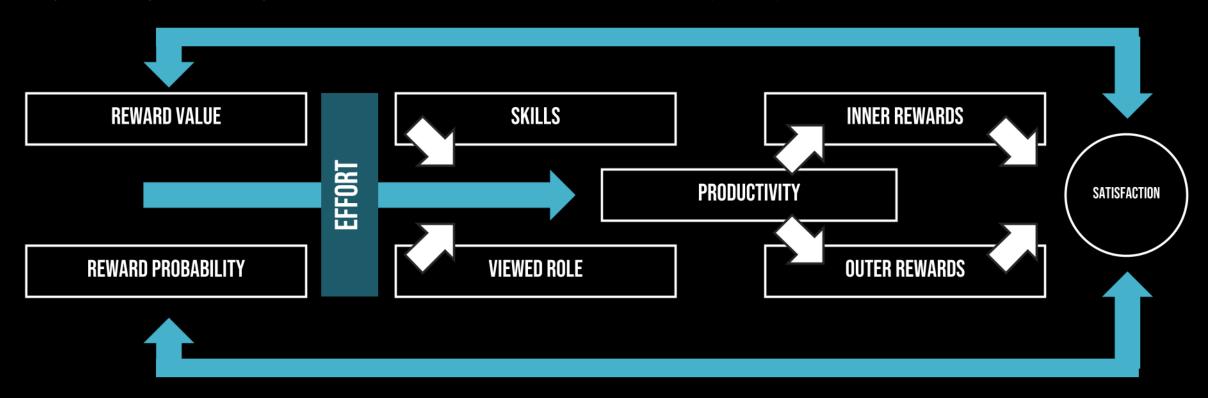
Balance Theory Overview



Balance Theory: Different Forms of Work Satisfaction by Agnes Bruggemann (1974)



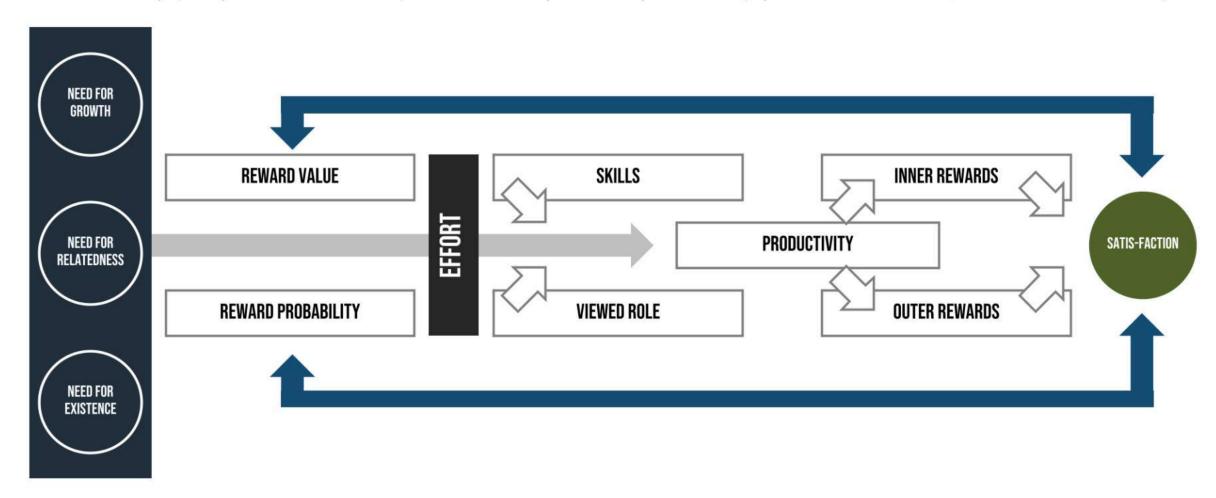
Expectancy Model Lyman W. Porter and Edward E. Lawler (1968)



Workplace motivation is characterized by increasing productivity (valence) to achieve desired goals, resulting in reward.

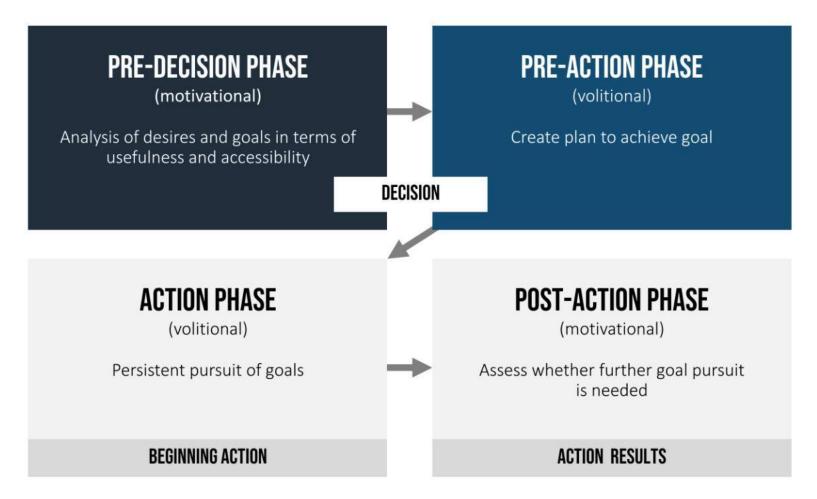
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ERG Theory (Clayton P. Alderfer) with the Expectancy Model (Lyman W. Porter /Edward E. Lawler)

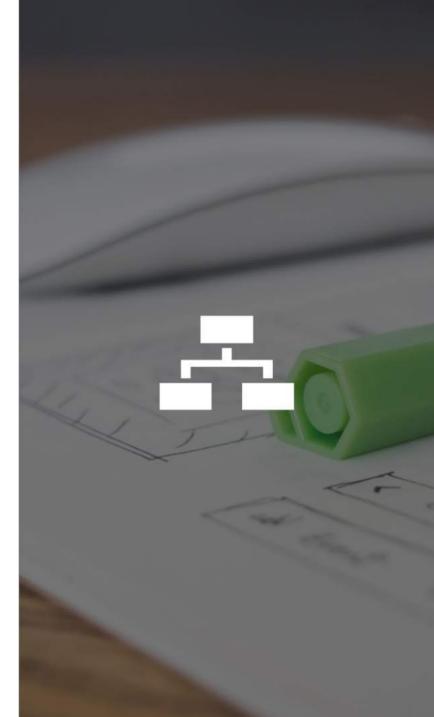


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Rubicon Model of Action Phases by Heinz Heckhausen and Peter M. Gollwitzer

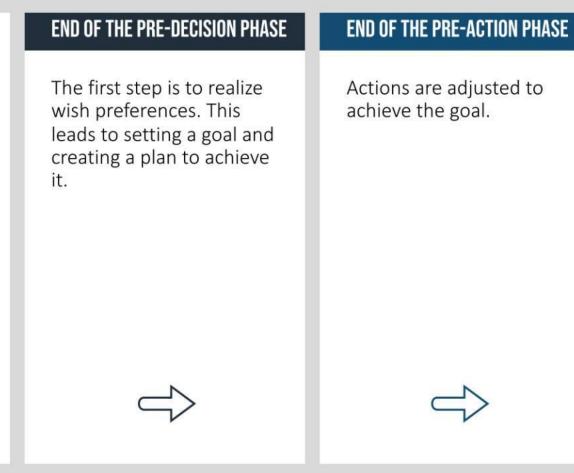


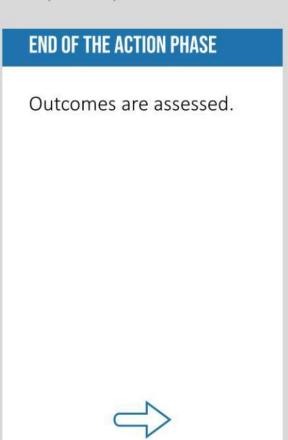
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Rubicon Model of Action Phases by Heinz Heckhausen and Peter M. Gollwitzer (1987)

TRANSITIONS BETWEEN EACH PHASE





Course of Action by Heinz Heckhausen (1975)

1. MOTIVATION

2. VOLITION

3. VOLITION

4. MOTIVATION

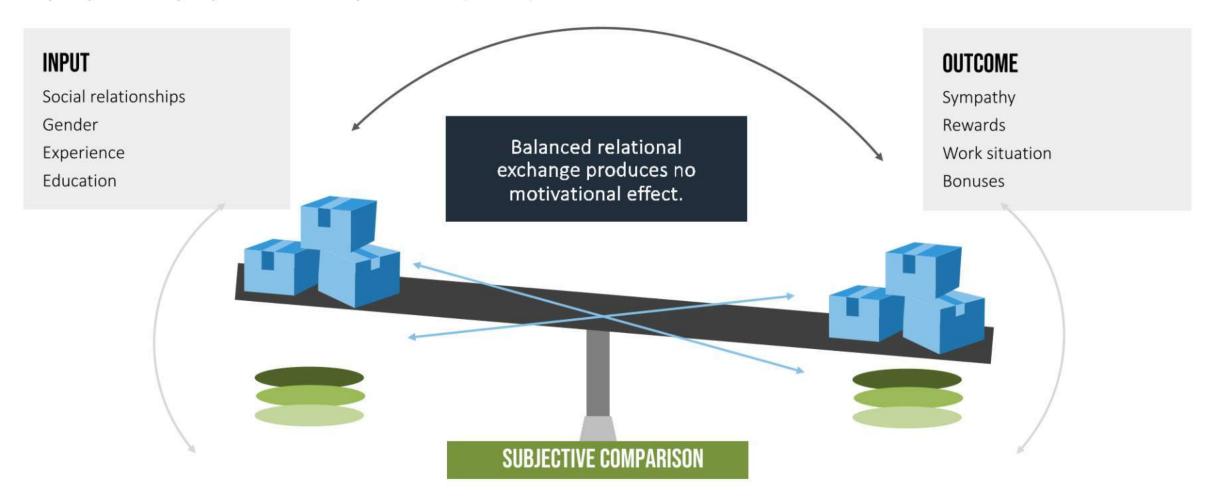
DECIDE **SET GOAL** ACT **ASSESS** Expectancy-value theory Goal-setting theory Action vs. state orientation Attribution theory

- Expectancy, instrumentality, valence theory
- Risk-taking model

- Self-regulation theory

- **Equity Theory**

Equity Theory by John Stacey Adams (1965)



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Equity Theory by John Stacey Adams (1965)

Overpayment **LOW SALARY & HIGH SALARY HIGH HOURLY WAGE** & HIGH HOURLY WAGE Underpayment **LOW SALARY HIGH SALARY** & LOW HOURLY WAGE & LOW HOURLY WAGE Work Quantity Work Quality



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Expectancy, Instrumentality, Valance Theory (EIV) by Victor H. Vroom (1964)



VALENCE

The importance of the expected outcome



INSTRUMENTALITY

Weighing outcomes that have positive/negative consequences



EXPECTANCY

The belief that the action will produce a beneficial outcome

Expectancy, Instrumentality, Valance Theory (EIV) by Victor H. Vroom (1964)

THE FOLLOWING CONDITIONS AFFECT AN EMPLOYEE'S MOTIVATION TO CHANGE BEHAVIOR:

- Behavioral change leads to increased work performance.
- Increased work performance leads to desired goal.
- Goals and results should be perceived as rewarding.

Example:

Overtime -> extra compesation -> more money for personal expenses

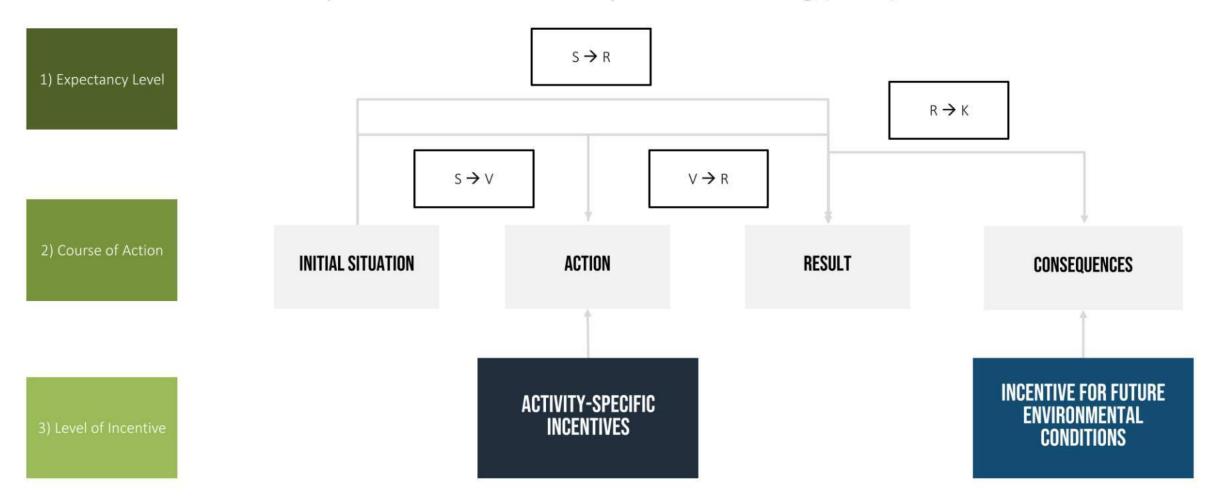
Self-Evaluation Model of Achievement Motivation by Heinz Heckhausen (1975)

COMPONENTS	MOTIVES		
	Fear of Failure	Hope for Success	
Goal setting	Unrealistic, to difficult or too easy	Realistic, tasks are moderately difficulty	
Attributionen	Success: task is too easy, luck	Success: high skills, effort	
	Failure: lacking skills	Failure: too little effort, bad luck	
Eigenbewertung	Outcome: negative effects	Outcome: positive effects	

Performance consists of three sub processes:

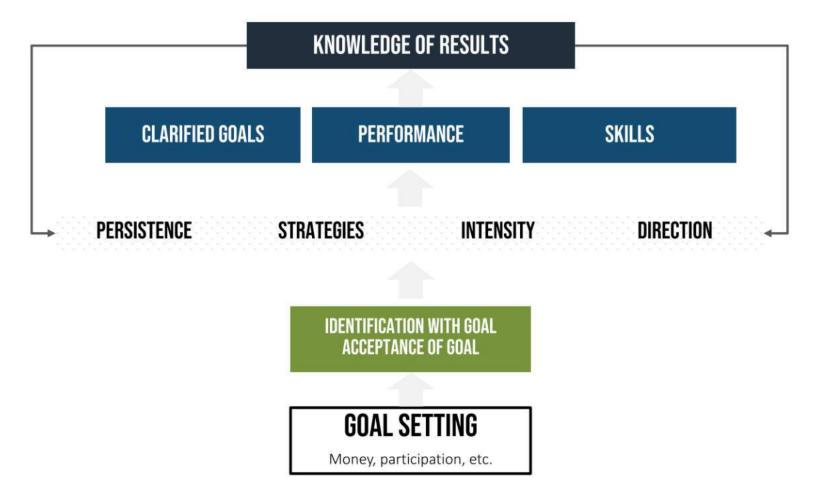
- goal setting
- casual attributes
- self-evaluative emotions (hope for success and fear of failure)

Levels of Motivation Analysis: Course of Actions by Falko Rheinberg (1989)



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Goal-Setting Theory by Edwin Locke (1984)



- Clearly define the goal
- Challenge how reasonable the goal is
- Identify with the goal
- Receive feedback on achieving the goal

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Self-Regulation Theory by Albert Bandura (1991)

There are three components that influence and regulate each other

SELF-OBSERVATION

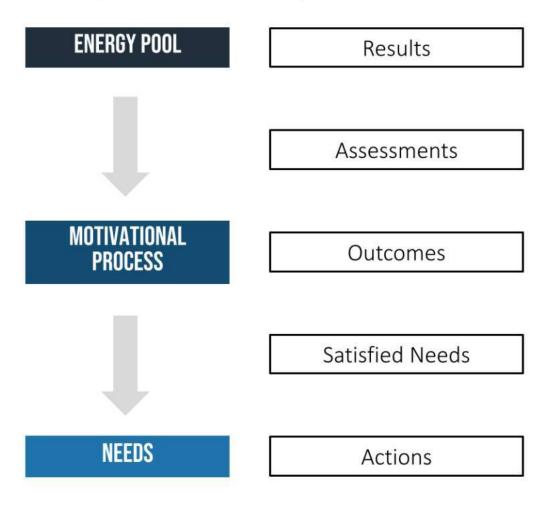
SELF-Reinforcement

SELF-ASSESSMENT

- Self-observation: A sense of the severity of tasks is developed through observation of feelings, behavior and conditions.
- Self-assessment: The observed behavior/feeling is compared with own ambition.
- Self-reinforcement: This assessment results in self reward as well as affective and cognitive reinforcement.

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Theory of Motivation by Robert D. Pritchard and Elissa Ashwood (2008)



EVERYONE HAS RESOURCES THAT HAVE PHYSICAL, MENTAL AND EMOTIONAL TIES. THESE RESOURCES MAKE UP THE CORE OF THE ENERGY POOL.

IT DEPENDS ON HOW MUCH ENERGY EACH PERSON HAS.
OCCASIONAL STRESS, LACK OF SLEEP, ETC. CAN CAUSE THE
ENERGY TO FLUCTUATE.

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Influencing Factors in an Organization's Motivation Process

PERSON	NEEDS	GOALS, DECISIONS	SATISFACTION	Skills
ValuesPersonalityPerception	PhysiologicalPsychologicalSociological	ImportanceSuccess probabilityBased on earlier experiences	CompensationSuperiorsColleaguesWork	Effort
ORGANIZATION				Personal Achievement
 Work structure Control system Employees Leadership style Work position 				Rewards

Remuneration

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Work place

Practical Relevance of the Two-Factor Theory by Frederick Herzberg

MOTIVATORS Work content Job rotation HR support Feedback systems Target agreements



HYGIENE FACTORS

Leadership styles
Material supply
Remuneration
Corporate culture
Work environment
Privacy policy



ntrinsic Extrinsic

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Practical Relevance of the Theory of Achievement Motivation by David McClelland



CHARACTERISTICS OF PEOPLE WITH HIGH ACHIEVEMENT MOTIVATION

- set challenging, yet realistic targets
- individual performance is more important than rewarded success
- feedback on performance is more valuable than personal feedback



ACHIEVEMENT MOTIVATION TRAINING

Establishment of emotions associated with performance-related situations, daily routine and cultural values.

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Practical Relevance of the Goal Setting Theory by Edwin Locke

In Locke's theory, it is important that company goals are consistent with employee goals. The difficulty of the target goal has a direct influence on performance. The acceptance and clarity of said goal, along with regular feedback, are the basis for performance motivation. Once the goal has been achieved, performance remuneration can take place.

It is important to note that setting performance expectations too high can have negative consequences such as resignation.



Practical Relevance of the Expectancy Theory by Victor H. Vroom



LINKING COMPANY AND EMPLOYEE GOALS

Tasks are designed to align personal goals with company goals.



DIFFICULTY AND INCENTIVES

The difficulty level should be based on a realistic goal. Individual incentives should promote motivation and be adjusted for each employee.

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Practical Relevance of the Motivation Theory by Robert D. Pritchard and Elissa Ashwood

THEORY APPLICATION

Pritchard developed a questionnaire for evaluating the motivational state. This is called "Motivation Assessment System" (MAS).

This tool is used to measure distinct influencing variables. The result shows how employee motivation, performance or productivity of employees can be increased.



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16 Life Motives by Steven Reiss (2000)

LIFE MOTIVES	LIFE MOTIVES
Power	Eating
Acceptance	Tranquility
Social Contact	Curiosity
Vengeance	Idealism
Beauty	Physical Activity
Status	Family
Order	Expedience
Saving	Interdependence

- Each of these motives represents a motor for achievement
- The strongest and weakest motives describe personal drive
- Motives are always combined and never occur alone.

Example of Reiss Profile by Dr. Steven Reiss (2009)



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Influence of Management Style on Employee Performance and Satisfaction

EMPLOYEE CHARACTERISTICS

Experience Self-awareness Wishes

MANAGEMENT

Instructive Cooperative Achievement-oriented Helpful







Perception Options Profit



SATISFACTION ACHIEVEMENT RESULTS

TASK AND WORK CHARACTERISTICS

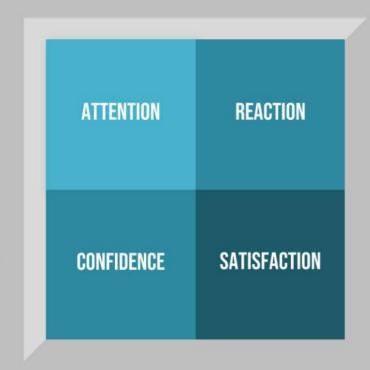
Task structure Team Work atmosphere

A (Attention) R (Reaction) C (Confidence) S (Satisfaction) Model by John M. Keller and Thomas W. Kopp (1987)

THE ARCS MODEL IS A MOTIVATIONAL DESIGN FOR E-LEARNING. NOTE: MOTIVATION PROBLEMS OFTEN ARISE WITH E-LEARNING.

Interest and attention increase.

Self-esteem and confidence strengthen through feedback.

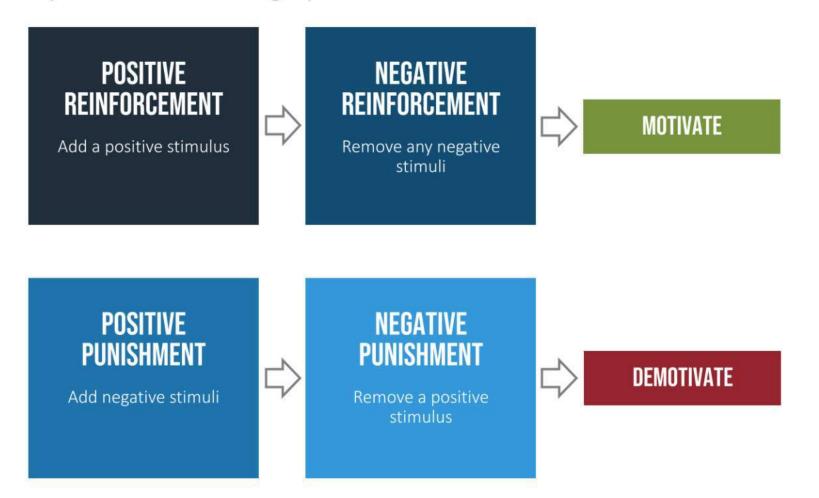


The importance of work is emphasized

This is made up of intrinsic (fun at work) and extrinsic (reward system) factors.

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Operant Conditioning by Burrhus F. Skinner



EXAMPLE OF POSITIVE REINFORCEMENT:

If employees receive a financial reward for overtime, they will voluntarily take on more work in the future.

Example of negative reinforcement:

A negative stimulus, such as poor working conditions, is eliminated. This leads to a work motivation.

Example of negative punishment: If a salary is reduced after it was previous increased, a positive stimulus is removed.

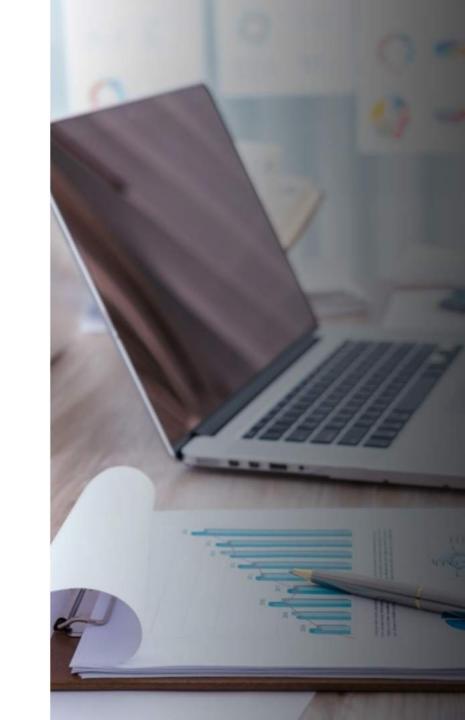
Example of positive punishment: When there are unexpected work obligations on holidays, a negative stimulus is added.

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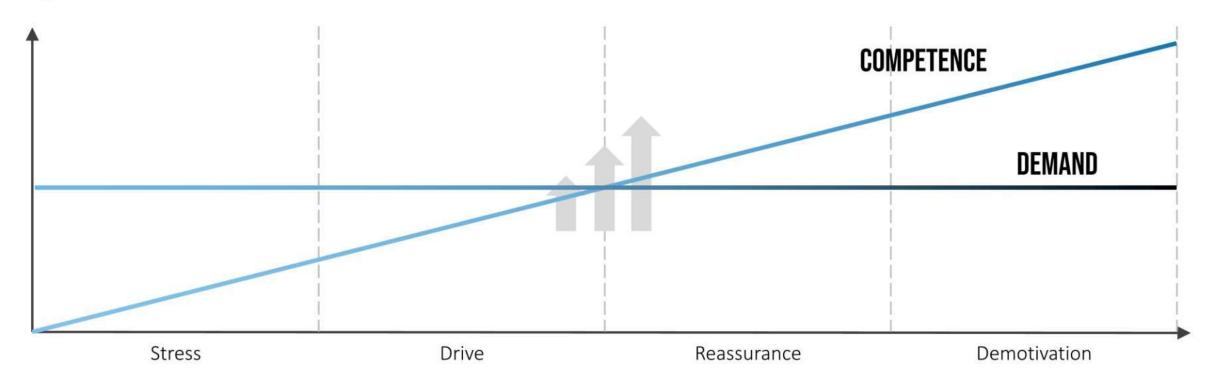
Responsible Target Tracking







Optimal Stimuli



OVERWORKED

Decreased self-esteem, frustration, illness

UNDERWORKED

Boredom, fatigue, frustration

Material and Immaterial Rewards

MATERIAL

Fixed or variable remuneration

Additional benefits

Shares in capital

Bonuses

IMMATERIAL

Promotions

Praise

Decision-making power

Recognition

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Reward System Requirements and Consequences

REQUIREMENTS

Vast differences in performance between management and employees

Transparency and consideration for salary increases are possible

Adequately adjust salary increases

CONSEQUENCES

More autonomy and employee influence

Possibility for personal goals

More room to get involved

Appreciative attitude

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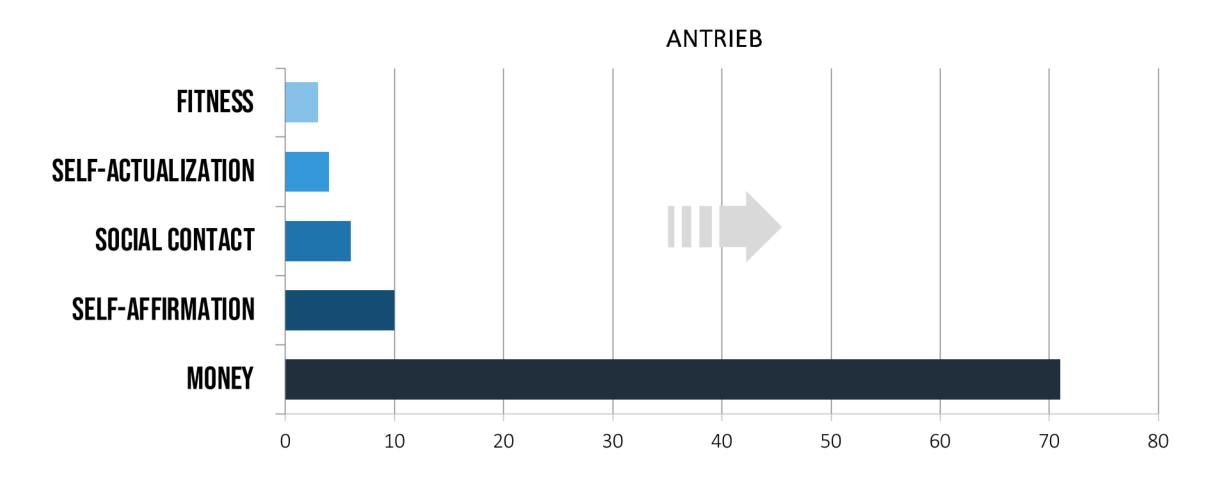
Money as a Motivation Tool

WHAT ROLE DOES MONEY PLAY IN MOTIVATION THEORIES?



- Herzberg: Money is a hygiene factor.
- Vroom: The importance of money depends on an individual's needs (valence).
- Adams: Money is part of the behavioral relationship.
- Maslow: Money is in the security category (Hierarchy of Needs).

Motivational Drive for Working (in %, 2016 Survey)



Job Restructuring



- systematic job change
- new challenges
- increased work variety
- advancement
- problems: long training periods with high costs, little focus on career



- more high level tasks
- autonomy, self-regulation
- Increased responsibility
- always learning new things
- diverse content
- problems: high demands and requirements regarding experience and knowledge



- more tasks at the same level
- more variety
- additional tasks
- problem: low salary increase

Job Rotation

IN ORDER TO EXPAND WORK VARIETY AND FIND NEW CHALLENGES, EMPLOYEES REGULARLY ASSUME SYSTEMATIC OR VARIED TASKS.



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Job Enrichment

APPLICATION

- Diminish control, but administer responsibilities.
- Increase responsibilities.
- Construct interrelated work units.
- Allow for more independence and decision-making power.
- Report to everyone, not just upper management.
- Introduce new and challenging tasks.
- Surrender specialized tasks.

MOTIVATORS

- Responsibility and achievement
- Responsibility and recognition
- Responsibility, achievement and recognition
- Responsibility, achievement and recognition
- Internal recognition
- Development and learning
- Responsibility, development and advancement

Widening the Scope



IN ORDER TO DIVERSIFY THEIR AREAS OF ACTIVITY, EMPLOYEES PURSUE SEVERAL TASKS AT THE SAME LEVEL AND IN THE SAME WORK AREA.

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New Trends in Motivational Tools

TRENDS AND POSSIBLE PROBLEMS

- flattened hierarchy, problem: less promotion opportunities
- job enrichment and widening the scope, problem: performance increase without compensation
- job rotation, problem: unstable, unclear roles which lead to little salary increase
- payment by skills
- grouping of pay scales
- more flexible reward systems