

8

CHAPTER



Motivation



LEARNING OBJECTIVE

Through this chapter the students can learn about the following:

- To gain knowledge and understanding about motivation
- To understand the characteristics, steps and types of motivation
- To acquire knowledge about various theories of motivation
- To apply the learnt concept through case study.

CONTENT

8.1 Introduction	8.7 Types of Motivation
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8.3 Definition of Motivation	8.9 Maslow's Hierarchy needs Theory
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8.5 Steps in Motivation	8.11 Distinction between "x" & "y" Theory
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8.1 Introduction

Management requires creation and maintenance of an environment in which individuals work together in groups towards the accomplishment of organisational objectives. Management can do its job effectively only through

motivating people and for this the organisation has to recognize the factors that motivates people. Effective motivation succeeds not only in having an accepted order but also in gaining a determination to see that it is executed efficiently and effectively. Hence management must

provide motives to people, in order to make them work for the organisation.

8.2 Meaning of Motivation

Motivation is derived from the word 'motive' which means moving into action. Motivation is the set of forces within a person that affect the direction, intensity and continuous existence of voluntary behaviour.

Motivation is a general term applying to the entire class of drives, desires, needs, wishes and similar forces. Motivation is the process of channeling a person's inner drives, so that he works to accomplish the goals of organisation.



Figure 8.1 Meaning of Motivation

Motivation is the process that account for an individual's intensity, direction and persistence of effort towards attaining the goal. While general motivation is concerned

with effort towards any goal, organisational goals are narrowed down to focus in order to reflect our singular interest in work-related behaviour. Motivated individuals stay with a task for a long period in order to achieve their goal. Motivation in management refers to the ways in which managers promote productivity of their employees.

The process of motivation is represented as:

1. Need:

Motivation process starts from needs or expectation. If employees have no need or expectation they cannot be motivated. Employees run to address or to solve the need or expectation. Need or expectation is a very important process of motivation. Manager of the business organisation must pay proper consideration towards needs and expectation of the employees. Food is a relevant example of it.

2. Drive / Action:

Drive is action oriented. After developing an expectation, people seek a job. The action is needed to address the need or expectation. Without action, employees cannot solve the food problems. Thus, when need occurs the people move for its implementation.

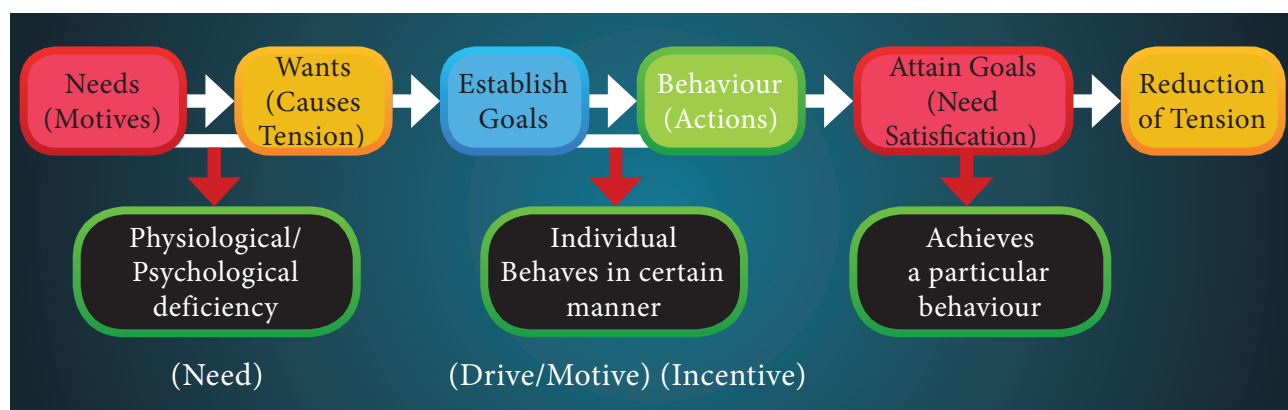


Figure 8.2 Process of Motivation

3. Incentives:

Incentive is the last process of motivation. After having the job, employees should be provided with competitive wages. It supports to solve and address the need or expectation. Employees come into an organisation to sell their knowledge, skill and labour. For such selling of their labour, employees will get incentives.

Special motivational techniques include using money, encouraging participation and improving the Quality of Working Life of an employee.

8.3 Definition of Motivation

“Motivation is a general term applying to the entire class of drives, desires, needs, wishes and similar forces that induce an individual or a group of people to work”.

- Koontz and o' Donnell.

“Motivation means a process of stimulating people to action to accomplish goals”.

- William G. Scott

8.4 Characteristics of Motivation

Characteristics of motivation are described as under:

1. **Motivation is need based:** If there is no need for an individual, the process of motivation fails.
2. **Motivation is a continuous process :** Most of the human needs are of recurring nature, some of the needs of individuals shall always be found to be unfulfilled. Thus motivational process can be enforced on a continuous basis.
3. **Motivation is a planned process:** To produce a desired result by stimulating and influencing human behavior for the best realization of the common objective. Two individuals

could not be motivated in exactly similar manner as people differ in this case of approach to respond to the process of motivation.

4. Motivation may be positive or negative:

A positive motivation promises incentives to people (pay, rewards, bonus, etc), a negative motivation threatens the enforcement of disincentives (penalties, disciplinary action, threat of demotion, fear of loss of job, etc).

5. **Motivation aims for best attainment of common objectives through best utilization of resources:** Motivated employees make the best utilisation of all resources – materials, machines, technology and other work facilities and put in their best effort towards the attainment of common objectives of the enterprise.

6. Motivation is an internal feeling:

It is a psychological phenomenon, which generates within an individual.



- Motivated People are More Engaged
- Fear Is a Powerful Motivator
- Appreciation and rewards are vital to employee motivation
- An excellent first step to increase self motivation is self behaviour review
- To become an efficient leader, you must be self-motivated

8.5 Steps in Motivation

The Steps in motivation involves the following steps:

1. **Recognition of an unfulfilled need:** The first step is to recognise or identify the unfulfilled needs of an individual. An individual cannot hope to fulfill all his unfulfilled needs at a time. He must have priorities.



2. **Identification of strategy to fulfill the need:** After identification of various needs of a person, the next step is to find out the strategy through which it can be fulfilled.
3. **Action – Fulfillment of the need:** Need fulfillment depends mainly on the credentials and performance of the employee.
4. **Identification of new / unfulfilled need :** when one need is fulfilled, another will appear in its place. It has to be identified for fulfillment, since motivation is a continuous process.
5. **Best attainment of common objectives :** Accomplishment of need in turn will lead to the best attainment of common objectives i.e organisational objectives.

8.6 Merits of Motivation

Merits of motivation can be described in the following manner.

1. **Motivation is the soul of managerial process:** If motivation is removed from the managerial process it becomes meaningless. The higher is the motivation, the higher would be the performance; the lower is the motivation, lesser would be the performance.
2. **Best utilization of resources:** Motivated employees make the best utilization of all resources leading cost minimization and profit maximization.
3. **Best attainment of common objectives:** Motivation not only facilitates the attainment of objectives, it also leads to their best realization – in terms of time spent and efforts involved.

4. **Stability of work force:** The best asset of an organization is stable work force. Motivation directly and indirectly results in the stability of work force; necessitating only the minimum inevitable labour – turnover.
5. **Morale and job satisfaction:** A persistent state of high motivation builds up the morale (i.e a favorable attitude towards work) of employees. Such employees derive a lot of job – satisfaction which makes them happy.
6. **Co-ordination facilitated:** Motivated employees develop a better understanding of one another; by appreciating their mutual problems and resolving their differences in an amicable manner. Hence Motivation facilitates co-ordination.
7. **Reduced needs for supervision:** Motivated employees are self starters. The reduced need for supervision requires less number of managers – leading to reduction in managerial cost. It also widens span of control.

8.7 Types of Motivation

Motivation can be classified as follows:

I. Classification on the basis of Reward:

1. **Financial:** Financial incentives are the monetary benefits provided to an employee in the form of higher pay, bonus, commission etc.
2. **Non financial:** Non-financial incentives are the non-monetary benefits such as greater decision-making authority, better designation etc.

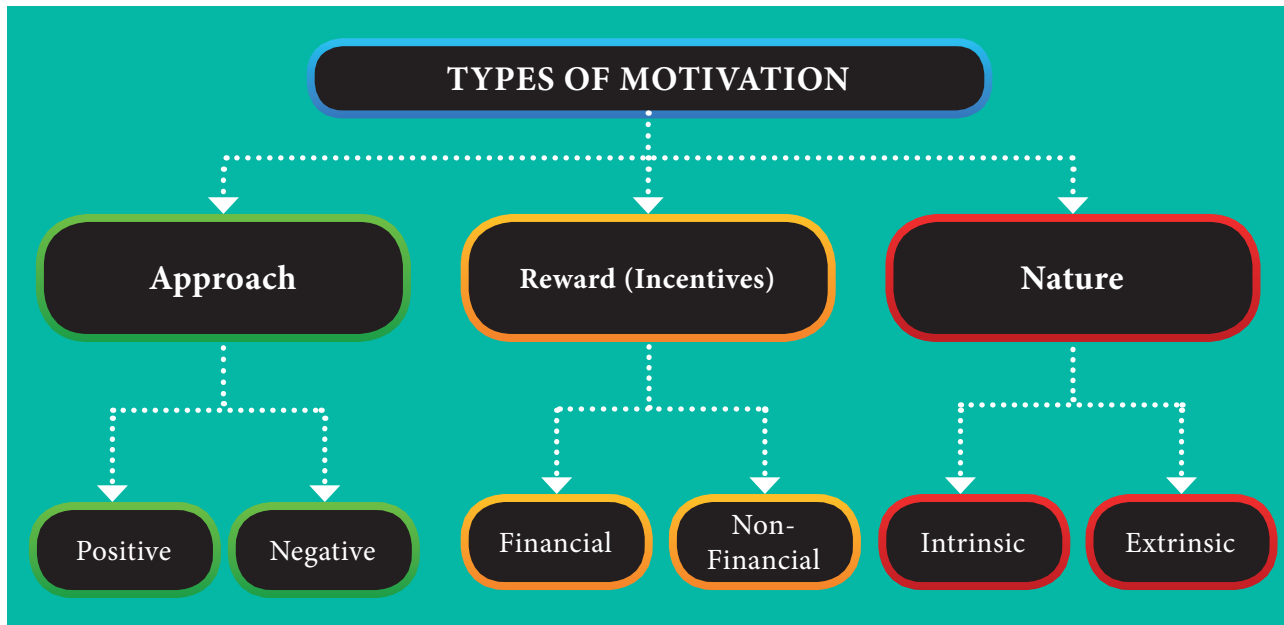


Figure 8.3 Departmental Line Organisation

II. Classification on the basis of Approach:

1. **Positive Motivation:** Positive motivation implies creation of an environment in which an individual can satisfy his needs and aspirations. It can be rewards and appreciation for their best performance.
2. **Negative motivation:** Negative motivation involves creating a sense of fear or unhealthy environment. It can be issue of memo, pay cut, imposing fine or penalty. Negative motivation creates detachment between the individuals and the organisation leads to lack of integrity to the purpose.

preparation, variety in works, greater opportunity for advancement in job.

2. **Extrinsic motivation:** Extrinsic motivators do not occur on the job but around the job. Extrinsic reward may be direct which are linked with performance like pay allowance bonus and indirect compensation like free housing, conveyance etc. Generally direct compensation is more effective motivator than indirect compensation. Extrinsic rewards maintain the employee whereas intrinsic rewards motivate him.

III. Classification on the basis of Nature:

1. **Intrinsic motivation:** Intrinsic motivation occurs on job and provides satisfaction while the job is being performed. Intrinsic motivators include status, authority,



Figure 8.4 Intrinsic & Extrinsic Motivation



- Accounting firm Ernst & Young attract and retain a satisfied, motivated, and loyal work force by encouraging employees to utilize flexible work hours.
- Chung Mong-koo, chairman of Hyundai Motor Company, is well known for articulating difficult and specific goals as a potent motivating force. Challenging employees to reach high goals has helped Hyundai experience tremendous growth in recent years.

8.8 Theories of motivation

Management can do its job effectively only through motivating people to work for the accomplishment of organisational objectives. Major theories of motivation is presented as under.

1. Maslow's Hierarchy of Needs Theory
2. McGregor's X and Y theory
3. Herzberg's Two-factor theory
4. McClelland's Need theory
5. Vroom's Expectancy theory
6. Equity theory

8.9 Maslow's Hierarchy of Needs Theory

Maslow's hierarchy of needs is a description of the needs that motivates human behavior. In 1943, Abraham Maslow proposed five different kinds of human needs, beginning with the most basic: survival.

Physiological needs, such as food and shelter, are followed by needs related to safety. Next, there are needs of love and belonging. Fourth, human have needs

of esteem, such as the need for being respected. The final need in the hierarchy is the need for self-actualisation (fulfilling one's potential). The hierarchy suggests that basic needs must be met prior to less basic needs, for example, a starving person will seek food before self-actualisation.

The well known approach to motivation is Abraham Maslow's Hierarchy of Needs theory. He hypothesized within every human being exists a hierarchy of five needs.



Figure 8.5 Maslow's Hierarchy of Individual Needs

1. **Physiological needs:** Include hunger, thirst, shelter and other bodily needs. At work level, this need can be met through by providing good working conditions, attractive salary, subsidized housing, free food etc.
2. **Safety needs:** Includes security and protection from physical and emotional harm. At work level, this need can be met by providing safe working conditions, private health insurance cover, Attractive pension provisions etc.
3. **Social needs:** Includes affection, a sense of belonging, acceptance and friendship. The following can be provided to take care of these needs, company sports and social clubs, office parties, outings, permission for informal activities and encouraging open communication.

4. **Esteem needs:** Include internal factors such as self-respect, autonomy and achievement, external factors such as status, recognition and attention. It can be provided through regular positive feedback, prestigious job titles, photographs in company news letter, promotions etc.
5. **Self actualization needs:** The drive to become what one is capable of becoming; includes growth, achieving one's potential and self fulfillment, Challenging job alignments, Promotion opportunities and encouraging creativity are fulfilling these needs.

According to Maslow, if you want to motivate someone you need to understand at what level of hierarchy that person is currently on and focus on satisfying needs at or above that level to move forward.

Maslow separated the five needs into higher and lower orders.

- **Lower order Needs** – Physiological and safety needs.
- **Higher order Needs** – Social, and self actualisation.

Higher order needs are satisfied internally (within the person) whereas lower order needs are predominantly satisfied externally (by things such as pay).

Hierarchy of Employee Needs in an Organization		
General Factors	Need Level	Organisational Factors
1. Growth 2. Achievement 3. Advancement	Self - Actualization	1. Challenging work 2. Creativity 3. Advancement in organization 4. Achievement in work
1. Recognition 2. Status 3. Self - Esteem 4. Self - respect	Esteem	1. Job title 2. Merit pay increase 3. Peer/Supervisory recognition 4. Work itself 5. Responsibility
1. Companionship 2. Affection 3. Friendship	Social	1. Quality of Supervision 2. Compatible work group 3. Professional Friendship
1. Safety 2. Security 3. Competence 4. Stability	Safety	1. Safe working conditions 2. Fringe Benefits 3. General Salary Increases 4. Job Security
1. Air 2. Food 3. Shelter 4. Sex	Physiological	1. Heat and Conditioning 2. Basic Salary 3. Cafeteria 4. Working Conditions



Figure 8.6 Maslow's Hierarchy of Needs in an Organization

Implications of Maslow's Hierarchy of Needs theory:

This model helps the managers to understand and deal with issues of employees motivation at the workplace. Managers who understand the need patterns of their staffs can help the employees to engage in the kind of work activities and provide the type of work environment that will satisfy their needs at work.

8.10 McGregor's X and Y Theory

Douglas McGregor has proposed his theories of motivation on two distinct assumptions about basic human nature:

Theory X and Theory Y (Douglas McGregor)

Theory X

The assumption that employees dislike work, are lazy, dislike responsibility, and must be coerced to perform.



Theory Y

The assumption that employees like work, are creative, seek responsibility, and can exercise self-direction.



Figure 8.7 Assumptions of X and Y Theory

one is basically negative and labelled as theory X and the other is basically positive, labelled as theory Y.

X Theory:

X theory is traditional in its outlook. It advocates manager knows best attitude. It completely excludes workers from the process of managerial decision-making. Under theory X, four assumptions are being postulated as follows:

1. Employees inherently dislike work and whenever possible will attempt to avoid it.
2. Since employees dislike work, they must be controlled and threatened with punishment to achieve desired goals.



Figure 8.8 X and Y Theory

3. Employees will avoid responsibilities and seek formal direction whenever possible.
4. Employees have least capacity for creativity in solving organisational problems.

Theory X holds a set of assumption of how to manage individuals and get motivate by lower order needs.

Y Theory:

According to Y theory if workers are properly motivated they would willingly accept responsibility and display creativity and imagination in their work performance. Theory Y holds four contrasting assumptions to X theory.

They are:

1. Employees view work factor natural or play.
2. People will exercise self-direction and self-control if they are committed to the objectives.
3. An average person can learn to accept, even seek responsibility.
4. The ability to make innovative decisions is widely dispersed throughout the population and is not necessarily the sole province of those in management positions.

Theory Y holds a set of assumptions of how to manage individual to get motivated by higher order needs.

8.11 Distinction between X and Y theory

The following are the major differences between X and Y theory of motivation.

Theory X	Theory Y
Avoid work – People dislike work and will attempt to avoid it.	Work is natural – People like work if the conditions are favourable.
Must be controlled – people do not take initiative. They like to be directed.	Self – Direction – People like to take initiative. They seek self – direction.
Avoid responsibility. People avoid responsibility whenever possible.	Seeks responsibility – People accept responsibility happily if conditions are favourable.
Seek security – Decisions will be made largely by higher authorities and instructed.	Good decisions widely dispersed – delegate authority for many decision.
People are self – centered and indifferent to organizational goals.	People are not much self- centered and are interested in organizational goals.
Commitment to objectives is a function of punishment associated with their non achievement.	Commitment to objectives is a function of rewards associated with their achievement.
People lack creativity and imagination (Creativity is narrowly distributed among population).	People posses creativity and imagination (Creativity is widely distributed among population).



CASE STUDY

Application of X and Y Theory:

Case Study – 1

Vibrant is a departmental store which works without bosses. It follows decentralisation and employees are held responsible for the work allotted to them. People who enjoy their job take initiative, are self-motivated and creative are only employed whereas people who are lazy need supervision and are laid off.

Discussion:

1. Identify which motivation theory Vibrant follows.
2. Discuss whether assumptions of the identified theory fit to Vibrant.

Case study – 2

Mrs. Shyla, health care professional with 5 years of experience in health centre wants to develop a teenage health education program. Permission was denied from her immediate new supervisor. Her previous supervisor used to encourage such initiatives. She got fed up and demotivated.

Discussion:

1. Discuss the type of motivation theory followed by the two supervisors?
2. How can Mrs. Shyla approach her problem in job?

Situation Analysis:

One fine day, at 7.30. a.m, the secretary of an organization calls the General Manager over phone and says, “Dear Mr. Ashok, you need not come to the office from today. Your account will be settled and you will receive the cheque by today evening.”

Discussion:

1. If you were the secretary, how would you handle the situation in a better way?
2. If you were the General Manager, how would you respond?

Points to Remember

Meaning of Motivation:

Motivation is the process of channeling a person's inner drives so that he works to accomplish the goals of organization.

Definition of Motivation:

Motivation means a process of stimulating people to action to accomplish goals.

- William G. Scott



Characteristics of Motivation:

1. Motivation is need based.
2. Motivation is a continuous process.
3. Motivation is a planned process.
4. Motivation may be positive or negative.
5. Motivation aims for best attainment of common objectives through best utilization of resources.
6. Motivation is an internal feeling.

Steps in Motivation:

1. Recognition of an unfulfilled need.
2. Identification of strategy to fulfill the need.
3. Action – Fulfillment of the need.
4. Identification of new / unfulfilled need.
5. Best attainment of common objectives.

Merits of Motivation:

1. Motivation is the soul of managerial process.
2. Best utilization of resources.
3. Best attainment of common objectives.
4. Stability of work force.
5. Morale and job satisfaction.
6. Co-ordination facilitated.
7. Reduced needs for supervision.

Types of Motivation:

1. Classification on the basis of Reward - Financial and Non financial.
2. Classification on the basis of Approach - Positive and Negative.

3. Classification on the basis of nature - Intrinsic and Extrinsic.

Maslow's Need Hierarchy Theory:

Abraham Maslow's Hierarchy of Needs theory hypothesized within every human being exists a hierarchy of five needs.

1. Physiological Needs - hunger, thirst, shelter and other bodily needs.
2. Safety Needs - security and protection from physical and emotional harm.
3. Social Needs - affection, a sense of belonging, acceptance and friendship.
4. Esteem Needs - internal factors such as self-respect, autonomy and achievement.
External factors such as status, recognition and attention.
5. Self - actualization Needs - achieving one's potential and self fulfillment.

X & Y Theory:

X theory advocates that employees avoid work and responsibility. They must be controlled to achieve the organizational objectives. It completely excludes workers from the process of managerial decision-making and advocates manager knows best attitude.

According to Y theory if workers are properly motivated they would willingly accept responsibility and display creativity and imagination in their work performance.

A-Z GLOSSARY

Motivation	Motivation is to have direction and an effort to achieve a goal.
Need	Expressing necessity or a thing that is wanted or required. Needs would be goods or services that are required which include food, clothing, shelter and health care.
Motive	A reason for doing something - that causes a person to act in certain way or do certain thing.
Incentive	Incentive is a motivating influence that makes a person to do something or work harder. An example of incentive is extra money offered to those employees who work extra hours on a project.
Intrinsic Motivation	Intrinsic motivation is when you do something because you enjoy it or find it interesting. This type of motivation originates inside the individual.
Extrinsic Motivation	Extrinsic motivation refers to behaviour that is driven by external rewards such as money, fame, grades, and praise. This type of motivation arises from outside the individual.
Hierarchy of Needs	Different types of things that people need, from the basic biological needs to safety, love and belonging, esteem, and finally to self-actualization.
Self Actualization	Self-actualization refers to the need for personal growth and development throughout one's life. It is the highest level of Maslow's hierarchy of needs.
Implication	The effect that an action or decision will have on something else in the future. An example of a business implication is how a theory could affect the motivation process of an organization.
Self Direction	The ability to regulate and adapt behaviour to the demands of a situation in order to achieve chosen goals.

QUESTIONS

PART- A

Objective type Questions (1 Mark)

Choose the correct answer:

- Motive means moving into _____.
a. action
b. drive
c. goal
d. objectives
- The process of motivation starts from _____ of an individual.
a. action
b. drive



- need
d. behaviour
- Pay cut is _____ motivation.
a. Non- financial.
b. Negative
c. Extrinsic
d. Drive
- Individual seeks _____ immediate satisfaction in _____ needs.
a. Social
b. Esteem
c. Physiological
d. Safety



5. Employees realize their own potential and self fulfillment in _____ need.
 - a. Self Esteem
 - b. Self actualization
 - c. Social
 - d. Safety
6. Employees are to be controlled in _____ theory.
 - a. X b. Y c. Need d. Z
7. _____ rewards maintain the employee.
 - a. Financial
 - b. Positive
 - c. Intrinsic
 - d. Extrinsic
8. _____ rewards motivate the employee.
 - a. Financial
 - b. Positive
 - c. Intrinsic
 - d. Extrinsic
9. Appreciation is _____ need.
 - a. social
 - b. safety
 - c. esteem
 - d. physiological
10. Employees display creativity in task in _____ theory.
 - a. X b. Y c. Z d. Need

PART –B

Very Short Answer (3 Marks)

Answer in Five lines:

1. What are the three key elements of motivation?
2. Define Motivation.

3. What motivates a person to work?
4. List out the types of motivation.
5. What are the assumptions of X theory of motivation?
6. List out Intrinsic and Extrinsic rewards.
7. What is self actualization?

PART- C

Short Answer (5 Marks)

Answer in one page:

1. State the process of motivation.
2. Explain about the intrinsic and extrinsic rewards.
3. List out the characteristics of motivation.
4. Explain the steps in motivation.
5. Describe the merits of motivation.
6. Discuss the higher order and lower order needs.
7. Enlist the Hierarchy of employee needs in an organization according to Maslow.
8. Enlist the assumptions of McGregor's X and Y theory.
9. Discuss the implication of X and Y theory in an organization.
10. Distinguish between X and Y theory.

PART- D

Essay type Questions (10 Marks)

Answer within three pages:

1. Define motivation. Describe the types of motivation.
2. Discuss Maslow's Hierarchy of Needs.
3. Illustrate McGregor's X and Y theory with an example.



Activity

Teacher Activity:

1. Organize group discussion and debate on Maslow's hierarchy of needs and make students to distinguish between higher order and Lower order needs.
2. Conduct role play of students based on X and Y theory.
3. Follow motivation techniques in classroom through practice sessions.

Student Activity:

1. Prepare a motivational chart pointing out the factors that motivated in your life.
2. Visit an organization in your area and observe motivational factors influencing the employees.

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