

Chapter - 4

Motivation

In the current times the main objective of every organisation is efficient and best utilisation of human resources. Efficient utilisation of human resource is challenging and complex task for any organisation. This is because every individual has different perspective of completing work. Under all the available resources of production human being is the only resource which is living and dynamic in nature. To achieve the organisation objectives in efficient and effective manner, it is important to motivate the employees in right manner. Motivation minimises the difference between the individual's capacity to work and actual capacity they are using to perform a work. Motivation acts as a psychological power which drives individual to achieve organisational objectives.

Meaning and Definitions of Motivation

Management is a novel concept and motivation is an integral part of management function. Introduction of new thoughts and constant research in the field of motivation has generated different viewpoints of renowned scholars about the concept of motivation. Luthans has rightly said that “Today every individual, layman and renowned scholars have their own definition of motivation.”

In general terms, motivation is an internal feeling or emotion which motivates employees to achieve predetermined objectives. Some of the important definitions of motivation are as follows:

According to Stanley Vance “Motivation is that feeling which changes the urge of an individual that they are motivated to work.”

In the words of Koontz & O'Donnell, “Motivation is driving people to work in a desired manner.”

According to MC Farland, “The concept of motivation is mainly psychological. It relates to those forces operating within the individual employee or subordinate which impel him to act or not to act in certain ways.”

According to William G. Scott, “Motivation means a process of stimulating people to take action to accomplish desired goals.”

According to William Glueck, “A motivation is an inner state that energises, activates or moves individual behaviour towards goals.”

Thus, by studying and analysing the definitions described above, it is clear that motivation is an important task of management, which studies the emotions, desires, feelings and needs of an individual's to satisfy them, so that individuals work with full efficiency to achieve organisational objectives.

Characteristics of Motivation

After studying the various definitions of motivation following important characteristics of motivation are derived such as:

- It is a continuous process.
- It is a psychological approach.
- It satisfies human needs and wants.
- Human resources can only be motivated.
- Motivation has different techniques.
- Motivation is not cause of satisfaction but result of it.
- Motivation is different from morale.
- It is the reason and result of managerial

success.

- It increases the individuals working capacity and work effectiveness.
- Under motivation process the whole individual is motivated.

Motivation: Need and Importance

From all the available factors of production, human resource is the only factor which is alive and active. The individual can be kept active and alive through motivation. If the human resource gets prepared to work through motivation than all the other factors of production can be used efficiently, which will result in easy achievement of organisational goals. Considering the importance of motivation Rensis Likert had stated that "motivation is the core of management."

Motivation is basically related to human being. Through motivation performance is improved and individual is satisfied. If the employees of any organisation are not motivated, then their efficiency and capacity will be depreciate a day by day. Thus Allen has rightly said "Poorly motivated people can nullify the soundest organisation."

Before studying the importance of motivation in detail one should clearly understand that studying human behaviour is a complex and a challenging task. Through motivation employees desires, emotions, aspirations, feelings and wants are understood and their behaviours are made favourable for the achievement of organisational goals. Feeling of belongingness, dedication and faithfulness amongst the employees is developed towards organisation, once they are motivated. The Ex-chairman of General Food Corporation Clarence Fransis has rightly described the importance of motivation by stating that "you can purchase any person's time, you can purchase

physical presence of an individual at special place but you cannot purchase enthusiasm, initiative and faithfulness. The importance of motivation is described in points given below :

1. Helps in achieving determined Goals

To achieve the predetermined goals and objectives of any organisation motivation plays an important role. Through motivation employees are motivated to accomplish those tasks which will help in achieving organisational objectives. Even though the organisation has in abundance the financial resources, good quality of raw material, best and modern techniques of production, but in the absence of appropriate method of motivation organisation cannot achieve desired objectives. Allen has rightly said that "Inadequately motivated employees will reduce the impact of sound organisation."

2. Increase in Job Satisfaction

The interest towards the work performed by the employees can be increased by motivation. If the employee does not have interest in the task assigned to him he will never feel enthusiastic about that task. Not only this, employee will always compare the profits received by him with others and when his profits are more than others then only he will be satisfied and motivated. Motivation increases the satisfaction level of an employee by fulfilling his desire by means of financial and nonfinancial motivation techniques.

3. Proper Utilisation of Resources

To effectively utilise the organisations resources it is important to motivate the employees. If an efficient employee is not motivated properly then his working efficiency will be equivalent to an inefficient employee. With the help of motivation

employees capabilities can be developed for organisational benefit. Highly motivated employee always places organisational gains to first to priority than his personal gains.

4. Improves Morale

Morale is synonym to the desire to work. Due to motivation, employee's needs are fulfilled and they get mental satisfaction. As a result of mental satisfaction employees behaviour and attitude towards organisation becomes positive and they develop desire to work best for the organisation.

5. Build good Labour Relations

Motivation lays emphasis on the notion that employees are human being. Thus they should be treated well with respect. Motivation acts as a bridge of cooperation and trust between the management and the employees. Because of this corporation employees complain, strike, lockouts and conflicts are reduced which develops better labour relations in organisation.

6. Reduced Employee Absenteeism and Turnover

Motivated employees are satisfied with work and working condition. To achieve organisation objectives they always give positive contribution as a result of this employee absenteeism is reduced. Motivated employees stay longer in an organisation which reduces labour turnover rate. Employee's turnover and absenteeism can be reduced with adequate motivating methods substantially in an organisation.

7. Basis of Managerial Functions

Motivation is vital to perform the managerial functions such as planning, organising, coordination, direction, controlling etc. If

employees are not motivated properly then they will not properly execute these functions of management. According to Breach, "Motivation is the key to the effectiveness of all management functions."

8. Facilitates Change

Normally the employees have negative approach towards the change initiated in an organisation, due to this negativity they always resist changes in organisation. Through motivation negative philosophy of an employee can be changed to positive philosophy in trouble-free manner. As a result of this employees will simply accept the technical and conceptual changes in the organisation.

9. Development of Team Spirit

Due to the implementation of motivation techniques employees are satisfied and benefited and amongst the team they develop emotion of affection, corporation and coordination. With the development of these feelings team spirit is developed in an organisation.

10. Enhances Corporate Image

In the business world the goodwill of an organisation is increased if it keeps its employees happy and satisfied. Employees also prefer working in those organisations which fulfill their needs and desires. In such organisations employees of other organisations are also willing to work.

11. Key to Behavioural Management Action

E.F.L. Breach has stated that motivation is key to behavioural management and its effective execution is prime task of a manager. In all the management functions motivation is most important. Effective execution of motivation can

only bring momentum in other managerial functions.

Techniques of Motivation

To motivate the employees various resources and techniques are used by the organisation. From the point of view of study these techniques can be classified into two heads:

Financial techniques

Financial techniques play an important role in motivating the employees. Management thinkers unanimously agree to the importance of financial techniques. Financial techniques are related to money or monetary motivation. It is a proven fact that monetary gains satisfy the basic needs of an individual along with the social and leisure needs. High salary, salary increment, bonus, participation in profit, pension gratuity, insurance, and employee stock plan options etc. are all techniques of financial motivation.

Non-financial technique

Non-financial technique of motivation has no relationship with money or currency. These techniques are more psychological in nature, which helps in fulfilling the desires and feelings of an individual. These techniques can be both individual and group related. Individual related non-financial techniques of motivation are promotion, opportunity for growth, job enrichment and recognition. Group discussion, participation, conferences and seminars, group training etc are different types of motivation techniques for a group. Some important non-financial techniques of motivation are discussed in detail below:

1. Status and Job Security

Job security is provided to the employees

continuously by providing them permanent job. By providing job security, employees become free from the risk of retrenchment and termination etc. and it becomes easy to motivate them. Similarly, the employees also want to achieve higher positions in hierarchy and maintain their current positions, this can be done by giving them job security.

2. Praise and Honour

Employee should be publicly praised and honoured when they successfully complete their responsibilities. Employees self respect, self confidence and morale are increased when they are praised and honoured. They can be praised and motivated by giving promotions, certificate of appreciation and recognition.

3. Participation in Management

Employees can be motivated by encouraging their participation in important decision making, in setting up of organisational objectives, goals, strategies and policies etc. Employees become more responsible and creative when they participate in decision making, and it increases the sense of belongingness towards the organisation. By participating in decision making, the employees get abided by the decisions and the goals of the organisation are easily achieved and the employee feels proud of themselves.

4. Effective Leadership and Supervision

Effective leadership in an organisation always have positive and respectful attitude towards the employees, they show interest in solving employees problem. While supervising the employee's leaders should show positive behaviour towards them, which leads to harmonious and cordial relationship with the employees. Effective

leadership always generates the interest of employees towards the work. Supervisor plays an important role while motivating the employees. A good supervisor creates informal relationships with employees with their human behaviour and practical and collaborative supervision, it increases the enthusiasm and interest of employees for attaining goals.

5. Delegation of Authority

When employees are given responsibility to perform a task then appropriate authority should be given to them to perform the work. Top management can motivate the subordinates by delegating the authority. Right amount of authority delegated to employees awakens confidence of employees, and it encourages a sense of work and increases the working capacity of the subordinates.

6. Job Expansion and Alteration

Job expansion and alteration are a useful way out for motivating employees. Under this instead of delegating work to single individual, work is delegated to group which helps in developing social relations while executing work. In job alteration employees are shifted from one job to another job to reduce monotony and increase their interest towards work. Employees experience and psychological growth is enhanced through job alteration.

7. Group Discussion

Under group discussion companies employees get involved in group decision making by thinking analytically. Employees get opportunity to present their point of view and understand the point of view of other employees. Through this method employee's confidence, morale and knowledge is increased.

8. Opportunity for Development

Employees can also be motivated by giving them opportunities to enhance their skills and capabilities. For this organisation should organise training and development programs from time to time for the employees.

9. Competition and Challenges

Many employees of the organisation do not work with full commitment even after being efficient, thus healthy competition should be encouraged amongst employees to motivate them. Employees put all the efforts to set the new records and win the competition, they feel proud in accepting the challenges and winning them. To motivate the employee's organisation should set challenging goals and task for the employees.

10. Healthy Environment

Healthy working environment at workplace gives employees satisfaction and satisfied employees work hard and with more interest for the organisation. The working conditions should be good in an organisation. Not only this but the place where employees rest after the work should also be neat and clean.

Theories/ Concepts of Motivation

Various management thinkers, psychologist and social scientist have given different theories of motivation. The renowned contributors to motivation theories are Abraham H. Maslow, Herzberg, McGregor, William Ouchi, Mary Parker, Rensis Likert, Vroom etc. Some of the important theories of motivation are discussed below:

Maslow's Hierarchy of Needs Theory

This theory of motivation was proposed in year 1943 by famous psychologist Abraham H. Maslow, which is one of the best theories of motivation. It is

based on the concept that human needs are infinite and they strive hard to satisfy these needs. According to Maslow, employees can be motivated if their unsatisfied needs are identified and these needs are satisfied by the organisation. According to Maslow every individual has hierarchy of five needs which are as follows:

1. Physiological Needs

Physiological needs are the primary needs of human being. To maintain the existence of a human life, fulfilling physiological needs is essential. These needs are most important, effective and powerful which are satisfied by an individual in any condition. These needs include food, clothes, shelter, love, fresh air and sunlight. When these needs are satisfied they no more motivate the individuals.

2. Safety Needs

These are also known as security needs which arise once the physiological needs are satisfied. These needs are concerned with protecting oneself from physical and emotional danger by safe guarding against the uncertain future. Safety needs mean physical, economic and psychological safety. Physical safety means saving oneself from accidents, diseases and other unforeseen situations. Economic safety means security of employment and making provision for old age such as pension and retirement plans.

3. Social Needs

Once the basic physiological and security needs are satisfied, people seek relationships from which their need for love and belonging can be satisfied. Man is a social being and wants to live in society with honour, respect and position. He seeks love, affection, belongingness, care and friendship from

the others and society. These needs are met through pleasing and fulfilling relationships with others. A pleasing and fulfilling relationship would imply acceptance of individual by others. If social needs are not satisfied then the individuals turn out to be rebellious and non cooperative.

4. Esteem or Ego Needs

After satisfying social needs, individual's ego and esteem needs arise. Esteem needs are for a higher position within a group and act to foster pride in the work and in themselves as individuals. The esteem needs are concerned with self respect, self confidence, feeling of personal worth, feeling of being unique and recognition. These needs include self-esteem, respect, achievement, confidence, recognition, and accomplishment. From these esteem needs some of the needs are satisfied and some needs remain unsatisfied for lifelong. Individuals with special capabilities and skills can only satisfy these needs. These needs of layman generally remain unsatisfied.

5. Self Actualization needs

According to Maslow the final step under the need hierarchy model is the need for self-actualization. This level of need pertains to what a person's full potential is and realizing that potential. "What a man can be, he must be" is the basis of the perceived need for self-actualization. Maslow describes this as the desire to become everything that one is capable of becoming. The self-actualization needs are never fully satiable. As an individual grows psychologically, opportunities keep cropping up to continue growing. For example- a musician wants to be proficient in the art of music, an artist wants to gain proficiency in creating works of art and similarly, a poet wants to be an expert in the art of

writing poems.



Herzberg's Two Factor Theory

The motivation's two factor or hygiene theory was proposed by a well known psychologist Fredrick Herzberg. Herzberg and his associates conducted interviews of 200 Engineers and Accountants working in 11 different companies in the Pittsburgh area in Pennsylvania of the United States. They were asked to relate elements of their jobs, which made them extremely happy or extremely unhappy. The researchers asked the respondents questions such as

- When did you felt exceptionally good about your work?
- When did you felt exceptionally bad about your work?

Herzberg analysed these responses and grouped them into factors namely: Hygiene Factors and Motivator.

Hygiene Factor: Herzberg found that there are some factors which are necessary to maintain a reasonable level of satisfaction among employees. These factors do not provide any satisfaction to the employees but their absence will dissatisfy them.

Hence these factors are called dissatisfiers or hygiene factors or maintenance factors. The hygiene factors are related to job environment which are mainly:

- Company policies
- Administration
- Working conditions
- Supervision
- Interpersonal relations
- Salary or wages
- Fringe benefits
- Job security

Motivating Factors: These factors are necessary to satisfy employees. These factors provide satisfaction to the employees but their absence does not dissatisfy them. These are intrinsic parts of the job content. These factors are also called satisfiers or motivators because the presence of these factors satisfies the employees. These factors are:

- Achievement
- Recognition and Honour
- Development or advancement
- Responsibility
- Personal development
- Nature of job

According to Herzberg motivating factors has deep influence on the performance of organisation. These factors help in creating better environment in the organisation which influences the capabilities of the individuals. These factors maintain the work performance of the employees. Thus they are also called as maintenance factors. Herzberg has concluded that only motivating factors can motivate an individual.

“X” and “Y” Theory of McGregor

Motivation's theory 'X' and 'Y' was propounded by

renowned writer and psychologist Douglas McGregor in his book named "Humans side of Enterprises." Theory X and Theory Y suggested two aspects of human behaviour at work, one of which is negative, called as Theory X and the other is positive, so called as Theory Y. According to the perception of McGregor individuals can be motivated after studying the aptitude of employees based on these theories.

Theory "X"

Theory X has negative approach towards the employees. This is the traditional theory of human behavior which emphasizes on controlling the human being. The main assumptions of this theory for the employees are as follows:

1. The average human being has an inherent dislike of work and will avoid it if he can.
2. He lacks ambition, dislikes responsibility and prefers to be directed.
3. He is inherently self-centered, indifferent to organizational needs.
4. They resistant to change and likes working with traditional methods and hence there is little scope for the development and research.
5. Since the employee does not want to work, he must be persuaded, compelled, or warned with punishment so as to achieve organizational goals.
6. He is gullible, not very bright.
7. They work for economic and monetary gains.

Theory 'Y'

Theory Y offers a positive view towards employees, assuming that people can exercise self-direction, accept responsibility and consider work to be as natural as rest of play. The main

assumptions of this theory of employees are as follows:

1. Employees assume work as a natural part of life and likes work.
2. They are ready to accept new methods and changes.
3. They are ambitious and ready to see the responsibility.
4. These employees are more creative and imaginative.
5. They are self motivated and self directed.
6. These employees make maximum use of their capacity and efficiency.
7. These employees are motivated for self esteem and self actualization but not for the primary needs.

William Ouchi's Z Theory

The theory Z of motivation was proposed and propounded by Professor William G. Ouchi. In his book published in year 1981 named "How American business can meet the Japanese challenge", he discovered theory Z. Professor Ouchi studied the management practices of big companies of America and Japan, he concluded his research under the name Z theory based on his observations.

Theory Z is based on the analytical study of management practices of American and Japanese companies. He gave emphasize on the positive aspects of the companies of both the countries. Professor Ouchi has identified best Japanese management practices which are superior than the American management practices. According to Professor Ouchi three fundamental basis of Japanese management are trust, subtlety and intimacy. According to him all these factors can motivate employees. The main characteristics of

theory Z are:

1. Lifetime Employment

According to Prof. Ouchi employees should be given lifetime employment opportunities. In Japanese organisation once the employees are appointed for the job, they are not retrenched or terminated in the times of recession and the company bears all the cost and losses. This makes employees loyal and committed towards the organisation.

2. Slow Evaluation and Promotion

Ouchi concluded in his research that Japanese management is of point of view that efficiency or effectiveness of organisation is result of group efforts rather than result of an individual effort. Therefore an individual should not be promoted on the basis of his personal achievements rather his promotion should be based on how he motivates the group. He also emphasized on horizontal promotion of employees in place of vertical promotions. He suggested that performance of employee should be evaluated over a long period of time using both quantitative and qualitative techniques. Japanese management for the first time evaluates the performance of their employees after 10 years of continuity on job.

3. Career Paths

In Japan much emphasis is not placed on specialisation of managers in particular field. This theory assumes that employee's career path should be based on non specialised basis. Japanese management laid emphasis on policy of job rotation so that managers can understand work of different departments.

4. Emphasis on Humanity

This theory suggests that management should show concern towards their employees and also towards employee's families, his hobbies, ambitions etc. Employees should be treated with humanity, care and affection by the organisation.

5. Collective Decision Making

Theory Z suggests that involvement of employees in related matters improves their commitment and performance. Involvement implies meaningful participation of employees in the decision-making process by asking their suggestions and feedbacks, particularly in matters directly affecting them. Such participation generates a sense of responsibility and increases enthusiasm in the implementation of decisions.

6. Human Resource Development

Managers and team leaders should take up the responsibility to develop the capability of employees and enhance their performance. The contribution of each and every employee is identified and their skills are developed through training and coaching. Employees and subordinates path of growth and success can be ensured through job enlargement and enrichment.

7. Informal Control

Organisation should develop informal relation with the employees and informally control the employees. For this purpose emphasis should be on mutual trust and cooperation with employees rather than on superior-subordinate relationships.

Hence, it can be reiterated that theory Z is a combination of Japanese and American business management styles. While Japanese management system comprises group decision-making, security

in job, employee welfare, etc, American system of management includes taking risks and quick decision-making.

EXERCISE

Very Short Questions:

1. What is Motivation?
2. Write the name of Maslow's need hierarchy.
3. Narrate the main needs of Maslow's physiological needs?
4. Write names of two techniques of motivation.
5. State the 'Hygiene factors' of Herzberg.
6. Explain some forms of non financial motivation.
7. Write the motivating factors of Herzberg.
8. Who invented 'Z' theory of motivation?

Short Answers Questions:

1. Narrate any four characteristics of motivation.
2. Explain the Maslow's love of belongings need.
3. State the main assumptions of McGregor's Y' theory.
4. Describe the main assumptions of McGregor's 'X' theory.
5. Explain the financial motivation.
6. Narrate the main points of Hygiene & Motivating factors.

Essay Type Questions:

1. What do you mean by Motivation? Explain its main characteristics.
2. Define the motivation and enlighten its importance.
3. Explain the various theories of motivation.
4. Explain in detail the Maslow's theory of motivation.
5. Discuss critically the Herzberg's theory of motivation.
6. Explain the theory 'Z' of William Ouchi.