

Leadership Behavior and Motivation

3

LEARNING OUTCOMES

After studying this chapter, you should be able to:

1. List the University of Iowa leadership styles. [p. 75](#)
2. Describe similarities and differences between the University of Michigan and Ohio State University leadership models. [p. 76](#)
3. Discuss similarities and differences between the Ohio State University Leadership Model and the Leadership Grid. [p. 80](#)
4. Discuss similarities and differences among the three content motivation theories. [p. 85](#)
5. Discuss the major similarities and differences among the three process motivation theories. [p. 93](#)
6. Explain the four types of reinforcement. [p. 100](#)
7. State the major differences among content, process, and reinforcement theories. [p. 106](#)
8. Define the following **key terms** (in order of appearance in the chapter):

leadership style	two-factor theory
University of Michigan Leadership Model	acquired needs theory
Ohio State University Leadership Model	process motivation theories
Leadership Grid	equity theory
motivation	expectancy theory
motivation process	goal-setting theory
content motivation theories	writing objectives model
hierarchy of needs theory	reinforcement theory
	giving praise model

Opening Case Application

J. R. Ridinger founded Market America in April of 1992 with a unique franchise business model to sell directly to consumers through UnFranchise® Owners. It markets a wide variety of high quality products and services (including anti-aging, health, nutrition, and personal care) through its Mall Without Walls™ Concept, which are sold through approximately 100,000 Independent Distributors and UnFranchise Owners, with both groups together being called distributors. Market America places the dream of starting your own business to achieve financial independence and freedom of time within the reach of anyone. It offers the benefits of franchising (a proven business plan, management and marketing tools and training) without the risk and high cost (franchise fees, monthly royalties, territorial restrictions) of a traditional franchise. There are minimal startup expenses and most people start part time (8 to 12 hours per week).

Market America is located in Greensboro, North Carolina, with over 300 employees in its sophisticated and state-of-the-art warehouse distribution systems. It also utilizes the e-commerce power of its Distributor Custom Web Portals and innovative Web site <http://www.marketamerica.com>. Market America offers mass customization and the one-to-one marketing and personal service of its distributor network. CEO Ridinger took Market America international in 2002 by expanding to Canada and Australia (<http://www.marketaustralia.com.au>), with plans for further expansion in 2005.¹

Opening Case Questions:

1. Which Ohio State University and Leadership Grid leadership style is emphasized at Market America?
2. What does Market America do to motivate its distributors, and how does it affect performance?
3. (a-c). How does Market America meet its distributors' content motivation needs?
4. (a-c). How does Market America meet its distributors' process motivation needs?
5. How does Market America use reinforcement theory to motivate its distributors?



To learn more about Market America, visit the company's Web site at <http://www.marketamerica.com> or log on to InfoTrac® College Edition at <http://infotrac.thomsonlearning.com>, where you can research and read articles on Market America: select the advanced search option and key in record number A76746727 or A64784709 to get started.

CHAPTER OUTLINE

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Putting the Motivation Theories Together within the Motivation Process

Let's begin this chapter by discussing the importance of leadership and motivation. Recall that our definition of leadership stressed the importance of influencing others to achieve organizational objectives through change. High levels of performance occur when leaders establish motivational environments that inspire followers to achieve objectives.² Motivating workers produces distinctive firm competencies that give advantages over competitors.³ Hence, the ability to motivate others, or motivational skills, are critical to leadership success.⁴ But how effective are managers at motivating workers? In America, 46 percent of workers say that they are highly motivated but only 18 percent of their colleagues are motivated. Nearly two out of three workers say that their organizations do not do enough to motivate them and their colleagues, and about three out of four workers believe that their organization would benefit from a formal program to increase motivation.⁵

Why do people leave their jobs? Researchers report that people stay if they are satisfied with their jobs and are committed to their organizations and leave if they are not satisfied. Satisfaction with one's boss is an important part of job satisfaction.⁶ Poor leaders drive employees to quit. Thus, job dissatisfaction progresses into employee turnover.⁷ Unmotivated employees are usually not satisfied with their jobs. Are Americans satisfied with their jobs? A survey found that 77 percent of workers are not satisfied with their jobs.⁸ Many employees do enough work to get by, but they are not satisfied with their jobs and they don't try to excel at their jobs.⁹ So how can you, as a leader, motivate followers to go beyond mediocrity? That is what this chapter is all about. We will discuss four behavioral leadership models and seven motivation theories.

THE MIDDLE SOUTH-WESTERN

Leadership Behavior and Styles

Leadership Behavior

By the late 1940s, most of the leadership research had shifted from the trait theory paradigm to the behavioral theory paradigm, which focuses on what the leader says and does.¹⁰ In the continuing quest to find the one best leadership style in all situations, researchers attempted to identify the differences in the behavior of effective leaders versus ineffective leaders. Although the behavioral leadership theory made major contributions to leadership research, which we will discuss more fully later, it never achieved its goal of finding one best style. Unfortunately, no leadership behaviors were found to be consistently associated with leadership effectiveness.¹¹ The leadership behavior theory paradigm lasted nearly 30 years. Today research continues to seek a better understanding of behavior.¹² And more importantly, to predict behavior.¹³

Leadership Behavior Is Based on Traits

Although the behavioral theorists focus on behavior, it's important to realize that leaders' behavior is based on their traits and skills.¹⁴ A good predictor of employee retention is the relationship between manager and employee.¹⁵ Employees who have a good relationship with their boss are more likely to be motivated than workers with a poor relationship with their manager, who are more likely to quit.¹⁶ The relationship is based on the manager's leadership personality traits and attitudes, which directly affect his or her behavior with the employee.¹⁷ Recall that the Pygmalion effect is based on traits, attitude

expectations, and the manager’s treatment (behavior) of employees, which in turn determines the followers’ behavior and performance.

Leading by example is important to managers. In fact, as Albert Einstein said, “Setting an example is not the main means of influencing another, it is the only means.” Leading by example takes place as followers observe the leader’s behavior and copy it. And the leader’s behavior is based on his or her traits. Thus, traits and behavior go hand-in-hand, or trait leadership theory influences behavioral leadership theory. However, behavior is easier to learn and change than traits.

Learning Outcome 1

List the University of Iowa leadership styles.

Leadership Styles and the University of Iowa Research

Leadership style is the combination of traits, skills, and behaviors leaders use as they interact with followers. Although a leadership style is based on traits and skills, the important component is the behavior, because it is a relatively consistent pattern of behavior that characterizes a leader. A precursor to the behavior approach recognized autocratic and democratic leadership styles.

University of Iowa Leadership Styles

In the 1930s, before behavioral theory became popular, Kurt Lewin and associates conducted studies at the University of Iowa that concentrated on the leadership style of the manager.¹⁸ Their studies identified two basic leadership styles:

- *Autocratic leadership style.* The autocratic leader makes the decisions, tells employees what to do, and closely supervises workers.
- *Democratic leadership style.* The democratic leader encourages participation in decisions, works with employees to determine what to do, and does not closely supervise employees.

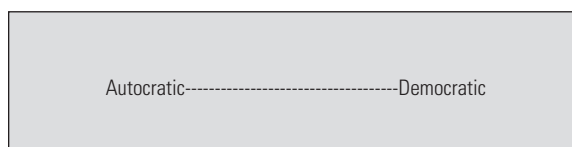
The autocratic and democratic leadership styles are often placed at opposite ends of a continuum, as shown in Exhibit 3-1; thus a leader’s style usually falls somewhere between the two styles.

The Iowa studies contributed to the behavioral movement and led to an era of behavioral rather than trait research. With the shift in paradigm from management to leadership, the leadership style of effective managers is no longer autocratic, but more democratic.

WorkApplication 1

Recall a present or past manager. Which of the University of Iowa leadership styles does or did your manager use most often? Describe the behavior of your manager.

Exhibit 3-1 University of Iowa leadership styles.



Source: Adapted from K. Lewin, R. Lippett, and R. K. White. 1939. “Patterns of Aggressive Behavior in Experimentally Created Social Climates.” *Journal of Social Psychology* 10: 271–301.

University of Michigan and Ohio State University Studies

Leadership research was conducted at Ohio State and the University of Michigan at about the same time during the mid-1940s to mid-1950s. These studies were not based on prior autocratic and democratic leadership styles, but rather sought to determine the behavior of effective leaders. Although these two studies used the term *leadership behavior* rather than *leadership styles*, the behaviors identified are actually more commonly called leadership styles today. In this section we discuss leadership styles identified by these two universities. Before reading about these studies, complete Self-Assessment 1 to determine your leadership style.

Learning Outcome 2

Describe similarities and differences between the University of Michigan and Ohio State University leadership models.

University of Michigan: Job-Centered and Employee-Centered Behavior

The University of Michigan's Survey Research Center, under the principal direction of Rensis Likert, conducted studies to determine leadership effectiveness. Researchers created a questionnaire called the "Survey of Organizations" and conducted interviews to gather data on leadership styles. Their goals were to (1) classify the leaders as effective and ineffective by comparing the behavior of leaders from high-producing units and low-producing units; and (2) determine reasons for effective leadership.¹⁹ The researchers identified two styles of leadership behavior, which they called *job-centered* and *employee-centered*. The U of Michigan model stated that a leader is either more job-centered or more employee-centered. *The University of Michigan Leadership Model thus identifies two leadership styles: job-centered and employee-centered.* See Exhibit 3-2 for the University of Michigan Leadership Model: a one-dimensional continuum between two leadership styles.

Job-Centered Leadership Style

The job-centered style has scales measuring two job-oriented behaviors of goal emphasis and work facilitation. Job-centered behavior refers to the extent to

Exhibit 3-2 *The University of Michigan Leadership Model: Two leadership styles, one dimension.*



**Job-Centered
Leadership Style**

.....**Employee-Centered
Leadership Style**

Source: R. Likert, *New Patterns of Management*. (New York: McGraw-Hill: 1961).

Self-Assessment 1

Your Leadership Style

For each of the following statements, select one of the following:

1— “I **would not** tend to do this.”

0— “I **would** tend to do this.”

as a manager of a work unit. There are no right or wrong answers, so don't try to select correctly.

- 1. I (would or would not) let my employees know that they should not be doing things during work hours that are not directly related to getting their job done.
- 2. I (would or would not) spend time talking to my employees to get to know them personally during work hours.
- 3. I (would or would not) have a clearly written agenda of things to accomplish during department meetings.
- 4. I (would or would not) allow employees to come in late or leave early to take care of personal issues.
- 5. I (would or would not) set clear goals so employees know what needs to be done.
- 6. I (would or would not) get involved with employee conflicts to help resolve them.
- 7. I (would or would not) spend much of my time directing employees to ensure that they meet department goals.
- 8. I (would or would not) encourage employees to solve problems related to their work without having to get my permission to do so.
- 9. I (would or would not) make sure that employees do their work according to the standard method to be sure it is done correctly.
- 10. I (would or would not) seek the advice of my employees when making decisions.
- 11. I (would or would not) keep good, frequent records of my department's productivity and let employees know how they are doing.
- 12. I (would or would not) work to develop trust between my employees and me, and among the department members.
- 13. I (would or would not) be quick to take corrective action with employees who are not meeting the standards or goals.
- 14. I (would or would not) personally thank employees for doing their job to standard and meeting goals.
- 15. I (would or would not) continue to set higher standards and goals and challenge my employees to meet them.
- 16. I (would or would not) be open to employees to discuss personal issues during work time.
- 17. I (would or would not) schedule my employees' work hours and tasks to be completed.
- 18. I (would or would not) encourage my employees to cooperate with rather than compete against each other.
- 19. I (would or would not) focus on continually trying to improve the productivity of my department with activities like cutting costs.
- 20. I (would or would not) defend good employees of mine if my manager or peers criticized their work, rather than agree or say nothing.

Add up the number of **would do** this for all *odd*-numbered items and place it here _____ and on the continuum below.

High Task Leadership Style 10—9—8—7—6—5—4—3—2—1 *Low Task Leadership Style*

Add up the number of **would do** this for all *even*-numbered items and place it here _____ and on the continuum below.

High People Leadership Style 10—9—8—7—6—5—4—3—2—1 *Low People Leadership Style*

The higher your score for task leadership, the stronger is your tendency to focus on getting the job done. The higher your score for people leadership, the stronger is your tendency to focus on meeting people's needs and developing supportive relationships. Read on to better understand these leadership styles.

which the leader takes charge to get the job done. The leader closely directs subordinates with clear roles and goals, while the manager tells them what to do and how to do it as they work toward goal achievement. Review the odd-numbered items in Self-Assessment 1 for examples of job- (task-) oriented leadership behavior.

Employee-Centered Leadership Style

The employee-centered style has scales measuring two employee-oriented behaviors of supportive leadership and interaction facilitation. Employee-centered behavior refers to the extent to which the leader focuses on meeting the human needs of employees while developing relationships. The leader is sensitive to subordinates and communicates to develop trust, support, and respect while looking out for their welfare. Review the even-numbered items in Self-Assessment 1 for examples of employee-oriented (people) leadership behavior.

Based on Self-Assessment 1, is your leadership style more job- (task-) or employee- (people-) centered?

Ohio State University: Initiating Structure and Consideration Behavior

The Personnel Research Board of Ohio State University, under the principal direction of Ralph Stogdill, began a study to determine effective leadership styles. In the attempt to measure leadership styles, these researchers developed an instrument known as the *Leader Behavior Description Questionnaire (LBDQ)*. The LBDQ had 150 examples of definitive leader behaviors, which were narrowed down from 1,800 leadership functions. Respondents to the questionnaire perceived their leader's behavior toward them on two distinct dimensions or leadership types, which they eventually called *initiating structure* and *consideration*.²⁰

Applying the Concept 1

University of Michigan Leadership Styles

Identify each of these five behaviors by its leadership style. Write the appropriate letter in the blank before each item.

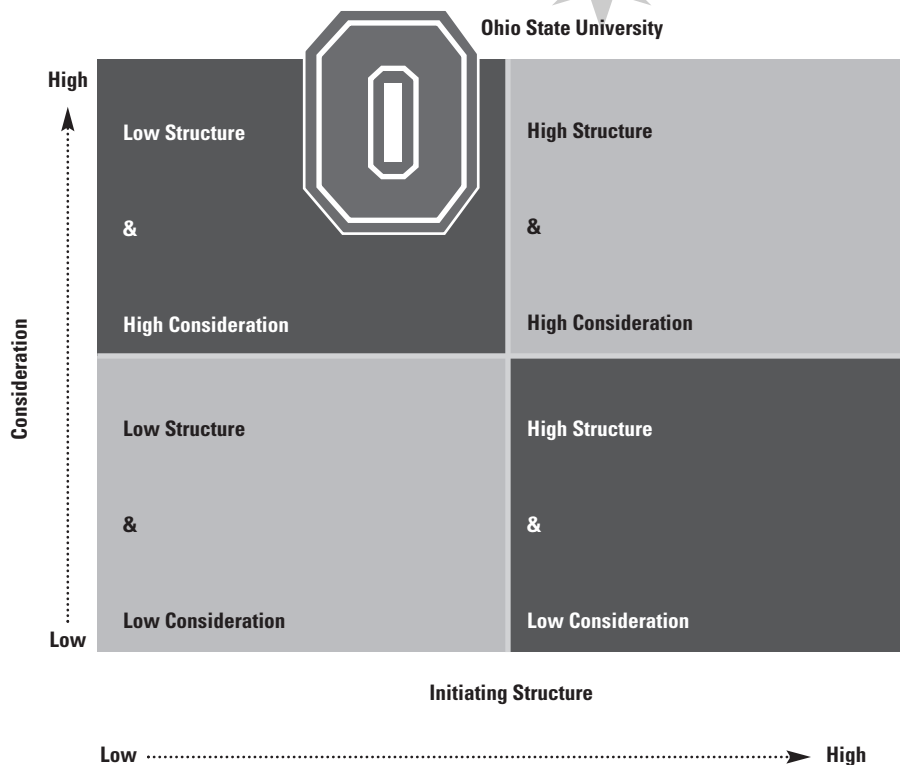
- | | |
|-----------------|----------------------|
| a. job-centered | b. employee-centered |
|-----------------|----------------------|
- ___ 1. The manager is influencing the follower to do the job the way the leader wants it done.
 - ___ 2. The manager just calculated the monthly sales report and is sending it to all the sales representatives so they know if they met their quota.
 - ___ 3. The leader is saying a warm, friendly good morning to followers as they arrive at work.
 - ___ 4. The manager is in his or her office developing plans for the department.
 - ___ 5. The leader is seeking ideas from followers on a decision he or she has to make.

- *Initiating structure behavior.* The initiating structure leadership style is essentially the same as the job-centered leadership style; it focuses on getting the task done.
- *Consideration behavior.* The consideration leadership style is essentially the same as the employee-centered leadership style; it focuses on meeting people's needs and developing relationships.

Because a leader can be high or low on initiating structure and/or consideration, four leadership styles are developed. **The Ohio State University Leadership Model** identifies four leadership styles: *low structure and high consideration, high structure and high consideration, low structure and low consideration, and high structure and low consideration.* Exhibit 3-3 illustrates the four leadership styles and their two dimensions.

Leaders with high structure and low consideration behavior use one-way communications, and decisions are made by the managers, whereas leaders with high consideration and low structure use two-way communications and tend to share decision making. To determine your two-dimensional leadership style from Self-Assessment 1, put your two separate (“task” and “people”) scores together and determine which of the four styles in Exhibit 3-3 is the closest match.

Exhibit 3-3 *The Ohio State University Leadership Model: Four leadership styles, two dimensions.*



WorkApplication2

Recall a present or past manager. Which of the four Ohio State leadership styles does or did your manager use most often? Describe the behavior of your manager.

Differences between Leadership Models— and Their Contributions

The Ohio State and University of Michigan leadership models are different in that the University of Michigan places the two leadership behaviors at opposite ends of the same continuum, making it one-dimensional. The Ohio State University Model considers the two behaviors independent of one another, making it two-dimensional; thus this model has four leadership styles.

The two leadership behaviors on which the models of both universities are based have strong research support. Leadership behaviors were developed, and repeatedly tested, using statistical factor analysis to narrow the dimensions down to structure/job-centered and consideration/employee-centered. The LBDQ and modified versions have been used in hundreds of studies by many different researchers.²¹

Research efforts to determine the one best leadership style have been weak and inconsistent for most criteria of leadership effectiveness. In other words, there is no one best leadership style in all situations; this is the first contribution, because it has helped lead researchers to the next paradigm—that of contingency leadership theory. Thus, the contribution of the behavioral leadership paradigm was to identify two generic dimensions of leadership behavior that continue to have importance in accounting for leader effectiveness today.²²

Although there is no one best leadership style in all situations, there has been a consistent finding that employees are more satisfied with a leader who is high in consideration.²³ Prior to the two university leadership studies, many organizations had focused on getting the job done with little, if any, concern for meeting employee needs. So, along with other behavioral theory research, there was a shift to place more emphasis on the human side of the organization to increase productivity; this is a second contribution. The saying that a happy worker is a productive worker comes from this period of research.

Another important research finding was that most leadership functions can be carried out by someone besides the designated leader of a group.²⁴ Thus, due to behavioral leadership research, more organizations began training managers to use participative leadership styles. In fact, Rensis Likert proposed three types of leadership behavior: job-centered behavior, employee-centered behavior, and participative leadership.²⁵ Thus, as a third contribution of these leadership models, Likert can be credited as being the first to identify the participative leadership style that is commonly used today.

The Leadership Grid

In this section we discuss the Leadership Grid theory, including research and contributions of the high-concern-for-people and high-concern-for-production (team leader) leadership styles.

Learning Outcome 3

Discuss similarities and differences between the Ohio State University Leadership Model and the Leadership Grid.

Leadership Grid Theory

Behavior leadership theory did not end in the mid-1950s with the University of Michigan and Ohio State University studies. Robert Blake and Jane Mouton,

from the University of Texas, developed the Managerial Grid® and published it in 1964, updated it in 1978 and 1985, and in 1991 it became the Leadership Grid® with Anne Adams McCaense replacing Mouton, who died in 1987.²⁶ Blake and Mouton published numerous articles and around 40 books describing their theories.²⁷ Behavioral leadership is still being researched today. The Leadership Grid was applied to project management by different researchers.²⁸

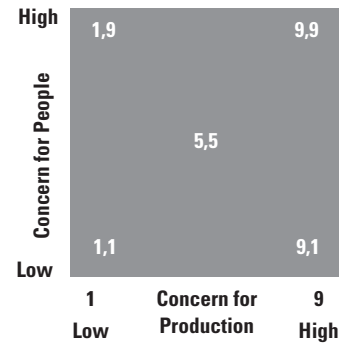
The Leadership Grid builds on the Ohio State and Michigan studies; it is based on the same two leadership dimensions, which Blake and Mouton called *concern for production* and *concern for people*.²⁹ The concern for both people and production is measured through a questionnaire on a scale from 1 to 9. Therefore, the grid has 81 possible combinations of concern for production and people. However, *the Leadership Grid identifies five leadership styles: 1,1 impoverished; 9,1 authority compliance; 1,9 country club; 5,5 middle of the road; and 9,9 team leader.* See Exhibit 3-4 for an adaptation of the Leadership Grid.

Following are descriptions of leadership styles in the Leadership Grid:

- The *impoverished leader* (1,1) has low concern for both production and people. The leader does the minimum required to remain employed in the position.
- The *authority-compliance leader* (9,1) has a high concern for production and a low concern for people. The leader focuses on getting the job done as people are treated like machines.
- The *country-club leader* (1,9) has a high concern for people and a low concern for production. The leader strives to maintain a friendly atmosphere without regard for production.
- The *middle-of-the-road leader* (5,5) has balanced, medium concern for both production and people. The leader strives to maintain satisfactory performance and morale.
- The *team leader* (9,9) has a high concern for both production and people. This leader strives for maximum performance and employee satisfaction. According to Blake, Mouton, and McCaense, the team leadership style is generally the most appropriate for use in all situations.

To estimate your Leadership Grid leadership style, using Self-Assessment 1, use your task score as your concern for production and your people score, and plot them on the Leadership Grid in Exhibit 3-4. Then select the closest of the five leadership styles.

Exhibit 3-4 Blake, Mouton, and McCaense Leadership Grid.



Source: Adapted from Robert R. Blake and Jane S. Mouton, *The Managerial Grid III* (Houston: Gulf, 1985); and Robert R. Blake and Anna Adams McCaense, *Leadership Dilemmas—Grid Solutions* (Houston: Gulf, 1991), 29.

WorkApplication3

Recall a present or past manager. Which of the five Leadership Grid styles does or did your manager use most often? Describe the behavior of your manager.

1. Which Ohio State University and Leadership Grid Leadership Style Is Emphasized at Market America?

Market America emphasizes the Ohio State University high structure and high consideration style, which is called the team leader's high concern for people and high concern for production (9,9) leadership style. Distributors make money by bringing in new distributors and selling more products, so they have a high concern for sales. But at the same time, UnFranchise Owners must develop good relationships with distributors who sell for them, so they have a high concern for people as well. Many sales also take place in distributors' homes through presentations, which is a social setting.

OPENING CASE APPLICATION

The Leadership Grid

Identify the five statements by their leader's style. Write the appropriate letter in the blank before each item.

- a. 1,1 (impoverished) c. 9,1 (authority compliance) e. 9,9 (team)
 b. 1,9 (country club) d. 5,5 (middle of the road)
- ___ 6. The group has very high morale; members enjoy their work. Productivity in the department is one of the lowest in the company. The manager is one of the best liked in the company.
- ___ 7. The group has adequate morale; the employees are satisfied with their manager. They have an average productivity level compared to the other departments in the company.
- ___ 8. The group has one of the lowest levels of morale in the company; most employees do not like the manager. It is one of the top performers compared to other departments.
- ___ 9. The group is one of the lowest producers in the company; employees don't seem to care about doing a good job. It has a low level of morale, because the employees generally don't like the manager.
- ___ 10. The group is one of the top performers; the manager challenges employees to continue to meet and exceed goals. Employees have high morale because they like the manager.

SOUTH-WESTERN

Leadership Grid and High-High Leader Research and Contributions

The *high-high leader* has concern for both production and people; this is the team leadership style. However, authors of the Leadership Grid were not the only ones to conduct research to determine if the high-high style was the most effective leadership style in all situations. Blake and Mouton did conduct an extensive empirical research study that measured profitability before and after a 10-year period. In the study, one company subsidiary used an extensive Grid Organizational Development program designed to teach managers how to be 9,9 team leaders (experimental group), while another subsidiary did not use the program (control group). The subsidiary using the team leadership style increased its profits four times more than the control subsidiary. Thus, the researchers claimed that team leadership usually results in improved performance, low absenteeism and turnover, and high employee satisfaction.³⁰ Blake and Mouton support the high-high leader style as a universal theory.

However, another researcher disagreed with these findings, calling high-high leadership a myth.³¹ A more objective meta-analysis (a study combining the results of many prior studies) found that although task and relationship behavior tends to correlate positively with subordinate performance, the correlation is usually weak.³² In conclusion, although there is some support for the universal theory, the high-high leadership style is not accepted as the one best style in all situations.

Critics suggested that different leadership styles are more effective in different situations.³³ Thus, a contribution of behavioral research is that it led to the shift in paradigm to contingency leadership theory. As you will learn in Chapter 5, contingency leadership theory is based on the behavioral theory of production and people leadership styles. Situational leadership models don't agree with using the same leadership style in all situations, but rather prescribe using the existing behavioral leadership style that best meets the situation.

A second contribution of behavioral leadership theory was the recognition that organizations need both production and people leadership. There is a generic set of production-oriented and people-oriented leadership functions that must be performed to ensure effective organizational performance.

A third related contribution of behavioral leadership theory supports coleadership. The manager does not have to perform both production and people functions. Thus, strong production-oriented leaders can be successful if they have coleaders to provide the people-oriented functions for them, and vice versa. So if you tend to be more production- or people-oriented, seek coleaders to complement your weaker area.

Before we go on to motivation, let's tie personality traits from Chapter 2 together with what we've covered so far. Complete Self-Assessment 2 now.

Self-Assessment 2

Your Personality Traits and Leadership Styles

We stated in the first section that *traits affect leadership behavior*. How does this relate to you? For the University of Michigan Leadership Model, generally, if you had a high personality score for the Big Five surgency dimension in Self-Assessment 1 in Chapter 2 (dominance trait, high need for power), you most likely have a high score for the task (job-centered) leadership style. If you had a high score for agreeableness (sensitivity to others trait, high need for affiliation), you most likely have a high score for the people (employee-centered) leadership style. My U of M leadership style is primarily _____.

For the Ohio State University Leadership Model, you need to score your personality for surgency and agreeableness as high or low. Then you combine them, and these personality scores should generally provide the same two-dimensional behaviors corresponding to one of the four leadership styles. My OSU leadership style is primarily _____.

For the Leadership Grid, you need to score your personality for surgency and agreeableness on a scale of 1 to 9. Then you combine them on the grid, and these personality scores should generally provide about the same score as Self-Assessment 1. My Leadership Grid style is primarily _____.

If you scored a Leader Motive Profile, your score for tasks should generally be higher than your score for people, because you have a greater need for power than affiliation. However, your leadership style on the Ohio State model could be high structure and high consideration, because this implies socialized power. You could also have a 9,9 team leader score on the Leadership Grid. My LMP is primarily _____.

Leadership and Major Motivation Theories

In this section we discuss motivation and leadership, the motivation process (which explains how motivation affects behavior), and three classifications of motivation theories (content, process, and reinforcement). We also briefly describe the need to balance professional and personal needs.

Motivation and Leadership

Motivation is anything that affects behavior in pursuing a certain outcome. Recall that we already discussed the importance of motivation in leadership in the introduction to this chapter. Motivating others is difficult and time-consuming because you need to motivate each follower on a personal basis.³⁴ To sum up, if you are going to achieve organizational objectives, you need to motivate yourself and others. Thus, the ability to motivate yourself and others is critical to your success as a leader.³⁵

The Motivation Process

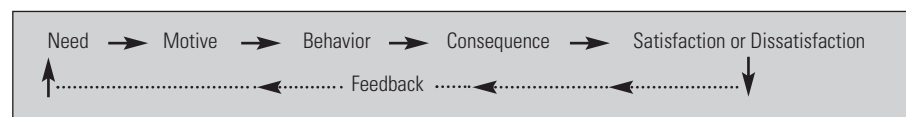
Through the **motivation process**, people go from need to motive to behavior to consequence to satisfaction or dissatisfaction. For example, you are thirsty (need) and have a drive (motive) to get a drink. You get a drink (behavior) that quenches (consequence and satisfaction) your thirst. However, if you could not get a drink, or a drink of what you really wanted, you would be dissatisfied. Satisfaction is usually short-lived. Getting that drink satisfied you, but sooner or later you will need another drink. For this reason, the motivation process has a feedback loop. See Exhibit 3-5 for an illustration of the motivation process.

Some need or want motivates all behavior. Or, for the most part, we are motivated by self-interest.³⁶ However, needs and motives are complex: We don't always know what our needs are, or why we do the things we do. Have you ever done something and not known why you did it? Understanding needs will help you to better understand motivation and behavior.³⁷ You will gain a better understanding of why people do the things they do.

Like traits, motives cannot be observed; but you can observe behavior and infer what the person's motive is (attribution theory). However, it is not easy to know why people behave the way they do, because people do the same things for different reasons.³⁸ Also, people often attempt to satisfy several needs at once.

Herb Kelleher, founder and chairman of Southwest Airlines, said that superior performance is not achieved through ordinary employee efforts.³⁹ Leaders need to motivate employees to go above and beyond the call of duty, which is commonly called *organizational citizenship*.⁴⁰ Herb Kelleher focused on making work fun to motivate Southwest employees to be organizational citizens, and set many airline industry records, despite the fact that employees were paid less than at traditional airlines. David Neeleman, founder and CEO

Exhibit 3-5 *The motivation process.*



of JetBlue Airways, is described as someone who can inspire employees to organizational citizenship through the sheer force of his personality and the example of his dedication.⁴¹

2. What Does Market America Do to Motivate Its Distributors, and How Does It Affect Performance?

Market America's primary motivator is self-motivation by making distributors their own boss, which is not successful with people who are not interested in entrepreneurship. Its team approach—with more experienced distributors helping newer distributors, and regular meetings—is key to motivating distributors to succeed. Market America has been successful at finding people who want to be their own boss, and its performance continues to improve. It has consistent sales growth. In 2004, it achieved its goals of having more six-figure earners than any other competitor company in America. The UnFranchise approach motivates utilizing self-interest while helping others to create a win-win situation. The more sales UnFranchisers make, the more money they make. However, by helping other distributors succeed, they also make more money, and without helping customers by selling products they want to buy, UnFranchisers would not have any sales.

OPENING CASE APPLICATION

An Overview of Three Major Classifications of Motivation Theories

There is no single universally accepted theory of how to motivate people, or how to classify the theories. We will discuss motivation theories and how you can use them to motivate yourself and others. In the following sections, you will learn about content motivation theories, process motivation theories, and reinforcement theory. See Exhibit 3-6 for this classification, which is commonly used,⁴² with a listing of major motivation theories you will learn.

After studying all of the theories separately, we put them back together using the unifying motivation process to see the relationship between the theories. You can select one theory to use, or take from several to make your own theory, or apply the theory that best fits the specific situation.

Learning Outcome 4

Discuss similarities and differences among the three content motivation theories.

Content Motivation Theories

Before we present the content motivation theories, let's discuss content motivation theories in general. **Content motivation theories** *focus on explaining and predicting behavior based on people's needs*. The primary reason people do what they do is to meet their needs or wants to be satisfied. People want job satisfaction, and they will leave one organization for another to meet this need.

An employee who has job satisfaction usually has a higher level of motivation and is more productive than a dissatisfied employee.⁴³ According to content motivation theorists, if you want to have satisfied employees you must meet

Exhibit 3-6 Major motivation theories.

CLASSIFICATION OF MOTIVATION THEORIES	SPECIFIC MOTIVATION THEORY
<p>1. <i>Content motivation theories</i> focus on explaining and predicting behavior based on employee need motivation.</p>	<p>A. <i>Hierarchy of needs theory</i> proposes that employees are motivated through five levels of need—physiological, safety, social, esteem, and self-actualization.</p> <p>B. <i>Two-factor theory</i> proposes that employees are motivated by motivators (higher-level needs) rather than maintenance (lower-level needs) factors.</p> <p>C. <i>Acquired needs theory</i> proposes that employees are motivated by their need for achievement, power, and affiliation.</p>
<p>2. <i>Process motivation theories</i> focus on understanding how employees choose behaviors to fulfill their needs.</p>	<p>A. <i>Equity theory</i> proposes that employees will be motivated when their perceived inputs equal outputs.</p> <p>B. <i>Expectancy theory</i> proposes that employees are motivated when they believe they can accomplish the task, they will be rewarded, and the rewards for doing so are worth the effort.</p> <p>C. <i>Goal-setting theory</i> proposes that achievable but difficult goals motivate employees.</p>
<p>3. <i>Reinforcement theory</i> proposes that behavior can be explained, predicted, and controlled through the consequences for behavior.</p>	<p>Types of Reinforcement</p> <ul style="list-style-type: none"> • Positive • Avoidance • Extinction • Punishment

their needs.⁴⁴ When employees are asked to meet objectives, they have the question, although usually not asked, What's in it for me? The key to successful leadership is to meet the needs of employees while achieving organizational objectives,⁴⁵ as discussed in the topics of socialized power and ethics (Chapter 2).

Hierarchy of Needs Theory

In the 1940s, Abraham Maslow developed his hierarchy of needs theory,⁴⁶ which is based on four major assumptions: (1) Only unmet needs motivate. (2) People's needs are arranged in order of importance (hierarchy) going from basic to complex needs. (3) People will not be motivated to satisfy a higher-level need unless the lower-level need(s) has been at least minimally satisfied. (4) Maslow assumed that people have five classifications of needs, which are presented here in hierarchical order from low to high level of need.

Hierarchy of Needs

The **hierarchy of needs theory** proposes that people are motivated through five levels of needs—*physiological, safety, belongingness, esteem, and self-actualization*.

1. *Physiological needs*: These are people's primary or basic needs: air, food, shelter, sex, and relief or avoidance of pain.
2. *Safety needs*: Once the physiological needs are met, the individual is concerned with safety and security.
3. *Belongingness needs*: After establishing safety, people look for love, friendship, acceptance, and affection. Belongingness is also called *social needs*.
4. *Esteem needs*: After the social needs are met, the individual focuses on ego, status, self-respect, recognition for accomplishments, and a feeling of self-confidence and prestige.
5. *Self-actualization needs*: The highest level of need is to develop one's full potential. To do so, one seeks growth, achievement, and advancement.

Maslow's work was criticized because it did not take into consideration that people can be at different levels of needs based on different aspects of their lives. Nor did he mention that people can revert back to lower-level needs. Today, Maslow and others realize that needs are not on a simple five-step hierarchy. Maslow's assumptions have recently been updated to reflect this insight, and many organizations today are using a variety of the management methods he proposed 30 years ago. Maslow has also been credited with influencing many management authors, including Douglas McGregor, Rensis Likert, and Peter Drucker.⁴⁷

Motivating Employees with Hierarchy of Needs Theory

The major recommendation to leaders is to meet employees' lower-level needs so that they will not dominate the employees' motivational process. You should get to know and understand people's needs and meet them as a means of increasing performance. See Exhibit 3-7 for a list of ways in which managers attempt to meet these five needs.

3-a. How Does Market America Meet Its Distributors' Content Motivation Needs?

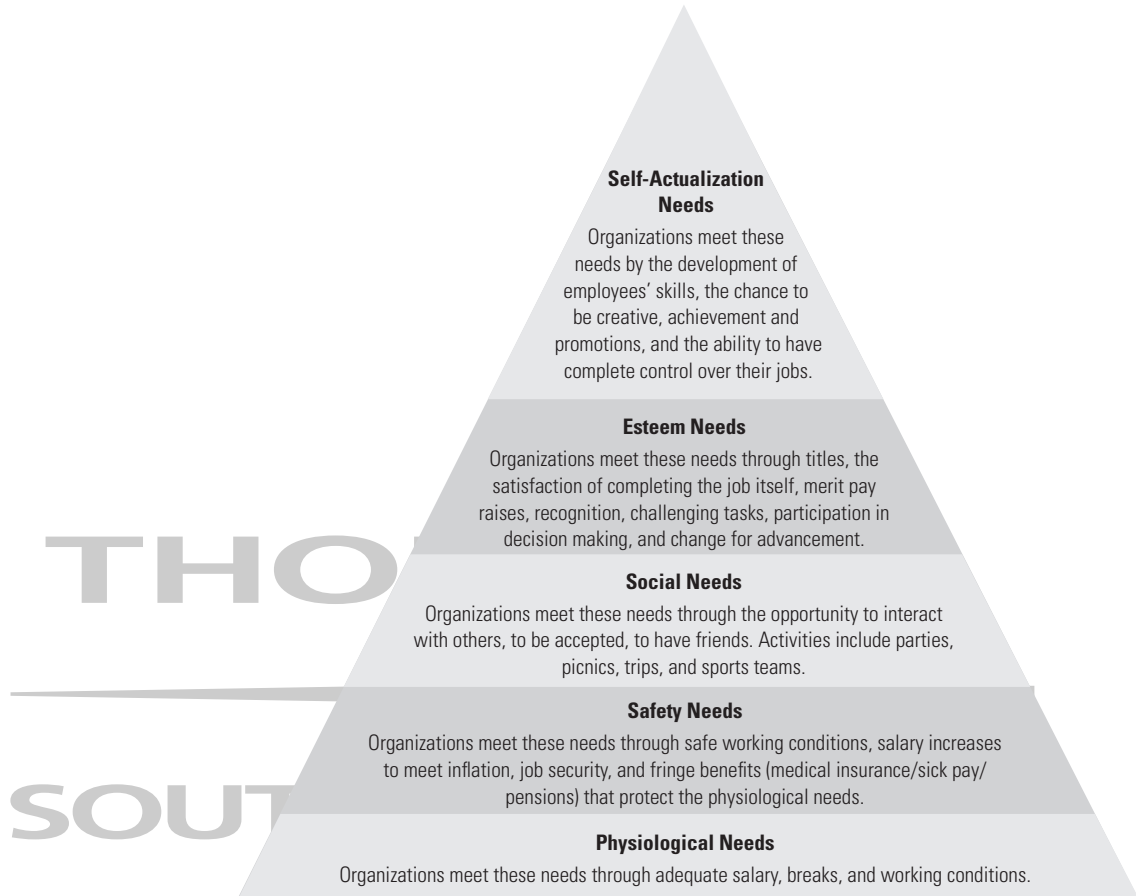
Market America allows people to climb the *hierarchy of needs* as distributors: earn money (*physiological*), with minimum risk (*safety*), through customer contact and meetings (*social*), through the job itself with unlimited growth potential (*esteem*), and being the boss allows control over their job and time (*self-actualization*).

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On what level of the hierarchy of needs are you at this time for a specific aspect of your life (professional or personal)? Be sure to specify the level by name, and explain why you are at that level.

Exhibit 3-7 How organizations motivate with hierarchy of needs theory.



Two-Factor Theory

In the 1960s, Frederick Herzberg published his two-factor theory.⁴⁸ Herzberg combined lower-level needs into one classification he called *hygiene* or *maintenance*; and higher-level needs into one classification he called *motivators*. **Two-factor theory** proposes that people are motivated by motivators rather than maintenance factors. Before you learn about two-factor theory, complete Self-Assessment 3.

Maintenance—Extrinsic Factors

Maintenance factors are also called *extrinsic motivators* because motivation comes from outside the person and the job itself.⁴⁹ Extrinsic motivators include pay, job security, title; working conditions; fringe benefits; and relationships. These factors are related to meeting lower-level needs. Review Self-Assessment 3, the even-numbered questions, for a list of extrinsic job factors.

Motivators—Intrinsic Factors

Motivators are called *intrinsic motivators* because motivation comes from within the person through the work itself.⁵⁰ Intrinsic motivators include achievement, recognition, challenge, and advancement. These factors are

Self-Assessment 3

Job Motivators and Maintenance Factors

Here are 12 job factors that contribute to job satisfaction. Rate each according to how important it is to you by placing a number from 1 to 5 on the line before each factor.

Very important		Somewhat important		Not important
5	4	3	2	1

- 1. An interesting job I enjoy doing
- 2. A good manager who treats people fairly
- 3. Getting praise and other recognition and appreciation for the work that I do
- 4. A satisfying personal life at the job
- 5. The opportunity for advancement
- 6. A prestigious or status job
- 7. Job responsibility that gives me freedom to do things my way
- 8. Good working conditions (safe environment, nice office, cafeteria, etc.)
- 9. The opportunity to learn new things

- 10. Sensible company rules, regulations, procedures, and policies
- 11. A job I can do well and succeed at
- 12. Job security and benefits

For each factor, write the number from 1 to 5 that represents your answer. Total each column (should be between 6 and 30 points).

Motivating factors	Maintenance factors
1. _____	2. _____
3. _____	4. _____
5. _____	6. _____
7. _____	8. _____
9. _____	10. _____
11. _____	12. _____
Totals _____	_____

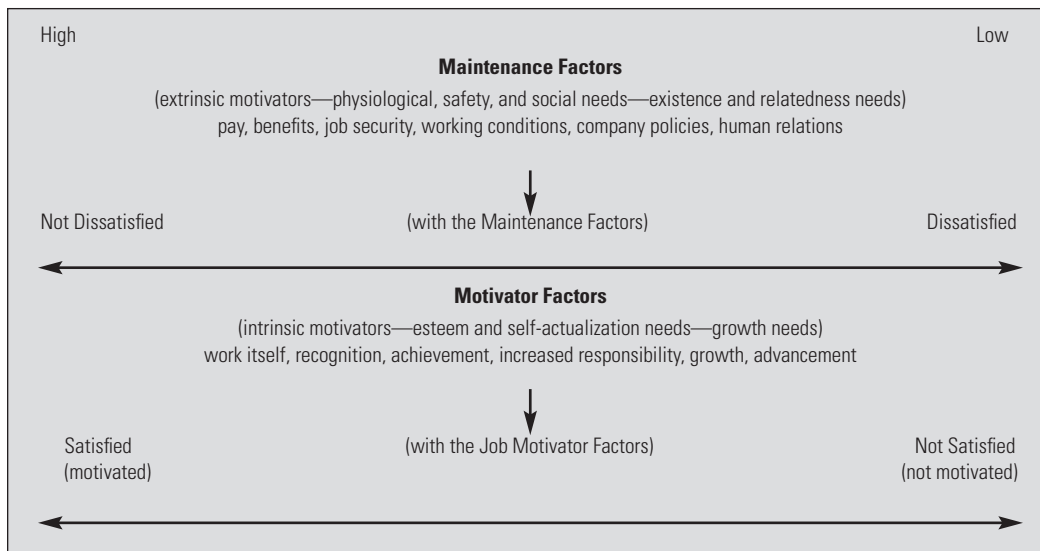
Did you select motivators or maintenance factors as being more important to you? The closer to 30 (6) each score is, the more (less) important it is to you. Continue reading to understand the difference between motivators and maintenance factors.

related to meeting higher-level needs. Doing something we want to do and doing it well can be its own reward. Organizations realize the importance of intrinsic motivation and are making jobs more interesting and challenging,⁵¹ while balancing intrinsic and extrinsic motivation.⁵² Review Self-Assessment 3, the odd-numbered questions, for a list of intrinsic job factors.

Herzberg's Two-Factor Motivation Model

Herzberg and associates, based on research, disagreed with the traditional view that satisfaction and dissatisfaction were at opposite ends of one continuum (a one-dimensional model). There are two continuums: not dissatisfied with the environment (maintenance) to dissatisfied, and satisfied with the job itself (motivators) to not satisfied (a two-dimensional model). See Exhibit 3-8 for Herzberg's motivation model. Employees are on a continuum from dissatisfied to not dissatisfied with their environment. Herzberg contends that providing maintenance factors will keep employees from being dissatisfied, but it will not make them satisfied or motivate them. For example, Herzberg believes that if employees are dissatisfied with their pay and they get a raise, they will no longer be dissatisfied. However, before long people get accustomed to the new standard of living and will become dissatisfied again. Employees will need another raise to not be dissatisfied again. The vicious cycle goes on. So Herzberg says you have to focus on motivators—the job itself.

Exhibit 3-8 Two-factor motivation theory.



Source: Adapted from F. Herzberg, “The Motivation-Hygiene Concept and Problems of Manpower,” *Personnel Administrator*: 3–7 (1964); and F. Herzberg, “One More Time: How Do You Motivate Employees?” *Harvard Business Review* (January–February 1967): 53.

Money as a Motivator

The current view of money as a motivator is that money matters more to some people than others, and that it may motivate some employees. However, money does not necessarily motivate employees to work harder.⁵³ Money also is limited in its ability to motivate. For example, many commissioned workers get to a comfortable point and don’t push to make extra money; and some employees get to the point where they don’t want overtime work, even though they are paid two or three times their normal wage.

But money is important. As Jack Welch says, you can’t just reward employees with trophies; you need to reward them in the wallet too. Employees often leave one organization for another to make more money. High compensation (pay and benefits) based on performance is a practice of successful organizations.⁵⁴ If you got a pay raise, would you be motivated and more productive?

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Recall a present or past job; are you or were you dissatisfied or not dissatisfied with the maintenance factors? Are or were you satisfied or not satisfied with the motivators? Be sure to identify and explain your satisfaction with the specific maintenance and motivator factors.

Motivating Employees with Two-Factor Theory

Under the old management paradigm, money (and other extrinsic motivators) was considered the best motivator. Under the new leadership paradigm, pay is important, but it is not the best motivator; intrinsic motivators are. Herzberg’s theory has been criticized for having limited research support. However, it continues to be tested: Recently one study supported it, and another only partially supported it.⁵⁵ Herzberg fits the new paradigm: He says that managers must first ensure that the employees’ level of pay and other maintenance factors are adequate. Once employees are not dissatisfied with their pay (and other maintenance factors), they can be motivated through their jobs. Herzberg also developed *job enrichment*, the process of building motivators into the job itself

by making it more interesting and challenging. Job enrichment has been used successfully to motivate employees to higher levels of performance at many organizations, including AT&T, GM, IBM, Maytag, Monsanto, Motorola, Polaroid, and the Traveler's Life Insurance Company.

3-b. How Does Market America Meet Its Distributors' Content Motivation Needs?

Market America allows people to operate their own business. Related to *two-factor theory*, the focus is on *motivators* so that distributors can grow and meet their high-level needs of esteem and self-actualization. So the focus is on motivators not *maintenance* factors, although they are also met through the UnFranchise model.

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Acquired Needs Theory

Acquired needs theory proposes that people are motivated by their need for achievement, power, and affiliation. This is essentially the same definition given for achievement motivation theory in Chapter 2. It is now called *acquired needs theory* because David McClelland was not the first to study these needs, and because other management writers call McClelland's theory *acquired needs theory*. A general needs theory was developed by Henry Murray, then adapted by John Atkinson⁵⁶ and David McClelland. You have already learned about McClelland's work, so we will be brief here. It's important to realize how closely linked traits, behavior, and motivation are. Acquired need is also widely classified as both a trait and a motivation, since McClelland and others believe that needs are based on personality traits. McClelland's affiliation need is essentially the same as Maslow's belongingness need; and power and achievement are related to esteem, self-actualization, and growth. McClelland's motivation theory does not include lower-level needs for safety and physiological needs. This theory is still being researched; a recent study used it with nurse managers. The conclusion was that both need for achievement and power motives of nurse managers influenced patient and staff outcomes in health care in the 1990s.⁵⁷

Acquired needs theory says that all people have the need for achievement, power, and affiliation, but to varying degrees. Here are some ideas for motivating employees based on their dominant needs:

- *Motivating employees with a high n Ach.* Give them nonroutine, challenging tasks with clear, attainable objectives. Give them fast and frequent feedback on their performance. Continually give them increased responsibility for doing new things. Keep out of their way.
- *Motivating employees with a high n Pow.* Let them plan and control their jobs as much as possible. Try to include them in decision making, especially when they are affected by the decision. They tend to perform

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Explain how your need for achievement, power, and/or affiliation has affected your behavior, or that of someone you work with or have worked with. What were the consequences of the behavior, and was the need satisfied?

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best alone rather than as team members. Try to assign them to a whole task rather than just part of a task.

- *Motivating employees with high n Aff.* Be sure to let them work as part of a team. They derive satisfaction from the people they work with rather than the task itself. Give them lots of praise and recognition. Delegate responsibility for orienting and training new employees to them. They make great buddies and mentors.

3-c. How Does Market America Meet Its Distributors' Content Motivation Needs?

Market America does help distributors meet all three *acquired needs*. It provides support so that they can *achieve* their goal of successfully running their own business, they have the *power* to be in control, and they can develop an *affiliation* with customers and other distributors and owners.

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Before we discuss the need to balance professional and personal needs, see Exhibit 3-9 for a comparison of the three content theories of motivation.

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The Need to Balance Professional and Personal Needs

You need a healthy balance between your life and your work.⁵⁸ The need to balance is currently a hot topic,⁵⁹ with the ascent of matrixed organizations working around the clock due to a global marketplace—and with the reengineered, downsizing, right-sizing world that focuses on how to get more done with fewer people.⁶⁰ Successful leaders use socialized power and strive to meet the needs of people and the organization to create a win-win situation for all stakeholders. Two major things organizations are doing to help employees meet their personal needs are providing on-site day care centers—or giving

Exhibit 3-9 A comparison of content motivation theories.

HIERARCHY OF NEEDS THEORY (MASLOW)	TWO-FACTOR THEORY (HERZBERG)	ACQUIRED NEEDS THEORY (MCCLELLAND)
Self-Actualization →	Motivators →	Achievement and Power
Esteem →	Motivators →	Achievement and Power
Belongingness →	Maintenance →	Affiliation
Safety →	Maintenance →	Not classified
Physiological →	Maintenance →	Not classified
Needs must be met in a hierarchical order.	Maintenance factors will not motivate employees.	Employees must be motivated differently based on their acquired needs.

employees information to help them find good day care—and offering flextime. Some leaders are also telling employees to go home and “get a life” before it is too late. Jack Welch says work-life balance is a personal decision, so choose what you want to do and be good at it and live with the consequences.⁶¹

Learning Outcome 5

Discuss the major similarities and differences among the three process motivation theories.

Process Motivation Theories

Process motivation theories focus on understanding how people choose behavior to fulfill their needs. Process motivation theories are more complex than content motivation theories. Content motivation theories simply focus on identifying and understanding people’s needs. Process motivation theories go a step further, attempting to understand why people have different needs, why their needs change, how and why people choose to try to satisfy needs in different ways, the mental process people go through as they understand situations, and how they evaluate their need satisfaction.⁶² In this section you will learn about three process motivation theories: equity theory, expectancy theory, and goal-setting theory.⁶³

Equity Theory

If employees perceive organizational decisions and managerial actions to be unfair or unjust, they are likely to experience feelings of anger, outrage, and resentment.⁶⁴ Equity theory is primarily J. Stacy Adams’ motivation theory, in which people are said to be motivated to seek social equity in the rewards they receive (output) for their performance (input).⁶⁵ **Equity theory** proposes that people are motivated when their perceived inputs equal outputs.

Rewarding People Equitably

Through the equity theory process, people compare their inputs (effort, experience, seniority, status, intelligence, and so forth) and outputs (praise, recognition, pay, benefits, promotions, increased status, supervisor’s approval, etc.) to that of relevant others. A relevant other could be a coworker or group of employees from the same or different organizations, or even from a hypothetical situation. Notice that our definition says *perceived* and not *actual* inputs to outputs. Others may perceive that equity actually exists, and that the person complaining about inequity is wrong.⁶⁶

Equitable distribution of pay is crucial to organizations.⁶⁷ Unfortunately, many employees tend to inflate their own efforts or performance when comparing themselves to others. Employees also tend to overestimate what others earn. Employees may be very satisfied and motivated until they find out that a relevant other is earning more for the same job, or earning the same for doing less work. A comparison with relevant others leads to three conclusions: The employee is underrewarded, overrewarded, or equitably rewarded. When inequity is perceived, employees attempt to reduce it by reducing input or increasing output.

Motivating with Equity Theory

Research supporting equity theory is mixed, because people who believe they are overrewarded usually don't change their behavior. Instead, they often rationalize that they deserve the outputs. A recent study used equity theory, and the results did support it.⁶⁸ One view of equity is that it is like Herzberg's maintenance factors. When employees are not dissatisfied, they are not actively motivated; but maintenance factors do demotivate when employees are dissatisfied. According to equity theory, when employees believe they are equitably rewarded they are not actively motivated. However, when employees believe they are underrewarded, they are demotivated.

Using equity theory in practice can be difficult, because you don't always know who the employee's reference group is, nor their view of inputs and outcomes. However, this theory does offer some useful general recommendations:

1. Managers should be aware that equity is based on perception, which may not be correct. It is possible for the manager to create equity or inequity. Some managers have favorite subordinates who get special treatment; others don't. So don't play favorites, while treating employees equally but in unique ways.⁶⁹
2. Rewards should be equitable. When employees perceive that they are not treated fairly, morale and performance problems occur. Employees producing at the same level should be given equal rewards. Those producing less should get less.
3. High performance should be rewarded, but employees must understand the inputs needed to attain certain outputs. When incentive pay is used, there should be clear standards specifying the exact requirements to achieve the incentive. A manager should be able to objectively tell others why one person got a higher merit raise than another did.

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Give an example of how equity theory has affected your motivation, or that of someone else you work with or have worked with. Be sure to specify if you were under-rewarded, overrewarded, or equitably rewarded.

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4-a. How Does Market America Meet Its Distributors' Process Motivation Needs?

Market America's UnFranchise business model treats all distributors with *equity*. Owners have unlimited potential, as the more time and effort (*inputs*) they put into their business, the more potential rewards (*outputs*) are available. However, not everyone is cut out for sales and some people who start as independent distributors drop out or stay at this level, rather than advance to become UnFranchise Owners.

Expectancy Theory

Expectancy theory is based on Victor Vroom's formula: motivation = expectancy × instrumentality × valence.⁷⁰ **Expectancy theory** *proposes that people are motivated when they believe they can accomplish the task, they will get the reward, and the rewards for doing so are worth the effort.* The theory

is based on the following assumptions: Both internal (needs) and external (environment) factors affect behavior; behavior is the individual's decision; people have different needs, desires, and goals; people make behavior decisions based on their perception of the outcome. Expectancy theory continues to be popular in the motivation literature today.⁷¹

Three Variables

All three variable conditions must be met in Vroom's formula for motivation to take place.

- *Expectancy* refers to the person's perception of his or her ability (probability) to accomplish an objective. Generally, the higher one's expectancy, the better the chance for motivation.⁷² When employees do not believe that they can accomplish objectives, they will not be motivated to try.
- *Instrumentality* refers to belief that the performance will result in getting the reward. Generally, the higher one's instrumentality, the greater the chance for motivation. If employees are certain to get the reward, they probably will be motivated.⁷³ When not sure, employees may not be motivated. For example, Dan believes he would be a good manager and wants to get promoted. However, Dan has an external locus of control and believes that working hard will not result in a promotion anyway. Therefore, he will not be motivated to work for the promotion.
- *Valence* refers to the value a person places on the outcome or reward. Generally, the higher the value⁷⁴ (importance) of the outcome or reward, the better the chance of motivation. For example, the supervisor, Jean, wants an employee, Sim, to work harder. Jean talks to Sim and tells him that working hard will result in a promotion. If Sim wants a promotion, he will probably be motivated. However, if a promotion is not of importance to Sim, it will not motivate him.

Motivating with Expectancy Theory

One study found that expectancy theory can accurately predict a person's work effort, satisfaction level, and performance—but only if the correct values are plugged into the formula. A meta-analysis (a study using the data of 77 other prior studies) had inconsistent findings with some positive correlations. A more recent study found that expectancy theory can be used to determine if leaders can be trained to use ethical considerations in decision making.⁷⁵

Therefore, this theory works in certain contexts but not in others. Expectancy theory also works best with employees who have an internal locus of control, because if they believe they control their destiny, their efforts will result in success. The following conditions should be implemented to make the theory result in motivation:

1. Clearly define objectives and the performance necessary to achieve them.⁷⁶
2. Tie performance to rewards. High performance should be rewarded. When one employee works harder to produce more than other employees and is not rewarded, he or she may slow down productivity.
3. Be sure rewards are of value to the employee. Managers should get to know employees as individuals. Develop good human relations as a people developer.⁷⁷

WorkApplication8

Give an example of how expectancy theory has affected your motivation, or that of someone else you work with or have worked with. Be sure to specify the expectancy and valence.

4. Make sure your employees believe you will do what you say you will do. For example, employees must believe you will give them a merit raise if they do work hard. So that employees will believe you, follow through and show them you do what you say you'll do.
5. Use the Pygmalion effect (Chapter 2) to increase expectations. Your high expectation can result in follower self-fulfilling prophecy.⁷⁸ As the level of expectation increases, so will performance.

4-b. How Does Market America Meet Its Distributors' Process Motivation Needs?

Market America focuses on attracting people who have the *expectancy* that they can be successful at running their own business, and it provides the business model to help them succeed. The *valence* does vary, but most UnFranchise Owners are seeking their own business, to achieve financial independence, and freedom of time.

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Goal-Setting Theory

The research conducted by E. A. Locke and others has revealed that setting objectives has a positive effect on motivation and performance.⁷⁹ High-achievement, motivated individuals consistently engage in goal setting.⁸⁰ **Goal-setting theory** *proposes that specific, difficult goals motivate people.* Our behavior has a purpose, which is usually to fulfill a need. Goals give us a sense of purpose as to why we are working to accomplish a given task.⁸¹

Writing Objectives

To help you to write effective objectives that meet the criteria you will learn next, use the model. The parts of the **writing objectives model** are (1) *To* + (2) *action verb* + (3) *singular, specific, and measurable result to be achieved* + (4) *target date*. The model is shown in Model 3-1, which is adapted from Max E. Douglas's model.

Criteria for Objectives

For an objective to be effective, it should include the four criteria listed in steps 3 and 4 of the writing objectives model:

- *Singular result.* To avoid confusion, each objective should contain only one end result. When multiple objectives are listed together, one may be met but the other(s) may not.

Model 3-1 *Writing effective objectives model.*

Four parts of the model with examples						
(1) To	+	(2) action verb	+	(3) singular, specific, and measurable result to be achieved	+	(4) target date.
Comcast To	+	offer	+	phone service to 40 million households	+	by year end 2006. ⁸²
Burger King To	+	achieve	+	average annual unit revenue of \$1.3 million	+	by year end 2005. ⁸³
Toyota To	+	expand	+	annual sales to 8.5 million vehicles	+	by year end 2006. ⁸⁴

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- *Specific.* The objective should state the exact level of performance expected.⁸⁵
- *Measurable.* If people are to achieve objectives, they must be able to observe and measure their progress regularly to monitor progress and to determine if the objective has been met.⁸⁶
- *Target date.* A specific date should be set for accomplishing the objective. When people have a deadline, they usually try harder to get the task done on time.⁸⁷ If people are simply told to do it when they can, they don't tend to get around to it until they have to. It is also more effective to set a specific date, such as October 29, rather than a set time, such as in two weeks, because you can forget when the time began and should end. Some objectives are ongoing and do not require a stated date. The target date is indefinite until it is changed.

In addition to the four criteria from the model, there are three other criteria that do not always fit within the model:

- *Difficult but achievable.* A number of studies show that individuals perform better with difficult objectives rather than (1) easy objectives, (2) objectives that are too difficult, or (3) simply told “do your best.”⁸⁸ Be realistic about what you can achieve. Don't over-promise or try to do too much.⁸⁹ Jack Welch incorporated “stretch goals” in the early 1990s that led to dramatic improvements in productivity, efficiency, and profitability. Welch got everyone to focus on doing things quicker, better, and cheaper. Steven Kerr developed training programs to teach employees how to set stretch goals.⁹⁰
- *Participatively set.* Teams that participate in setting their objectives generally outperform groups with assigned objectives.⁹¹
- *Commitment.* For objectives to be met, employees must accept them. If employees are not committed to striving for the objective, even if you meet

WorkApplication9

1. Using the writing objectives model, write one or more objectives for an organization you work for or have worked for that meet the criteria for objectives.
2. Give an example of how a goal(s) affected your motivation and performance, or those of someone else you work with or have worked with.

the other criteria, they may not meet the objective.⁹² Using participation helps get employees to accept objectives.

Ethical Dilemma 1

Academic Standards

Lou Holtz, former very successful Notre Dame football coach, said that the power of goal setting is an incredible motivator for high performance; to be successful we need to set a higher goal. Have colleges followed his advice? Have academic standards dropped, maintained, or increased over the years?

The academic credit-hour system was set many years ago so that there would be some standardization across colleges throughout the country, so that academics and employers had the same expectations of the work load that a college student carried to earn a degree. This also allowed students to transfer credit from one university to another, assuming the same standards were met.

The credit-hour system was set at students doing two hours of preparation for each hour of in-class time. So a student taking five classes should spend 15 hours in class and 30 hours preparing for class, or a total of 40+ hours per week—which is a full-time schedule.

1. How many hours outside of class, on average, do you and other students prepare for class each week?
2. Are college professors throughout the country assigning students two hours of preparation for every hour in class today? If not, why have they dropped the standard?
3. Are students who are putting in part-time hours (20–30 hours) during college being well prepared for a career after graduation (40–60 hours)?
4. Is it ethical and socially responsible for professors to drop standards and for colleges to award degrees for doing less work today than 5, 10, or 20 years ago?

Microsoft has a long tradition of having individuals set goals as part of its high performance-based culture. All employees are trained to set “SMART” (Specific, Measurable, Achievable, Results-based, and Time-specific) written goals. Managers are trained to assist in the goal-setting process, including how to provide relevant performance feedback during the review process.⁹³

Using Goal Setting to Motivate Employees

Goal setting might be the most effective management tool available.⁹⁴ Organizational behavior scholars rated goal-setting theory as number one in importance among 73 management theories.⁹⁵ Need we say any more about it?

4-c. How Does Market America Meet Its Distributors' Process Motivation Needs?

Market America relies heavily on *goal-setting* theory. Two of its goals are to establish itself as a leader in the Direct Sales Industry and to become a Fortune 500 Company. Goal Setting is the second step in the five basic steps for success at Market America. Attitude & Knowledge, Retailing, Prospecting & Recruiting, and Follow Up & Duplication are the other four. Distributors are taught to set business and personal long-term goals and to break them down for the next year by month, week, and day. Goals are to be read twice a day for motivation.

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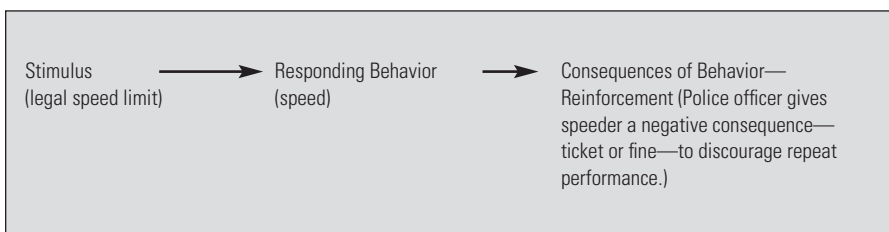
Reinforcement Theory

B. F. Skinner, reinforcement motivation theorist, contends that to motivate employees it is not necessary to identify and understand needs (content motivation theories), nor to understand how employees choose behaviors to fulfill them (process motivation theories).⁹⁶ All the manager needs to do is understand the relationship between behaviors and their consequences, and then arrange contingencies that reinforce desirable behaviors and discourage undesirable behaviors.⁹⁷ **Reinforcement theory** *proposes that through the consequences for behavior, people will be motivated to behave in predetermined ways.* Reinforcement theory uses behavior modification (apply reinforcement theory to get employees to do what you want them to do) and operant conditioning (types and schedules of reinforcement).⁹⁸ Skinner states that behavior is learned through experiences of positive and negative consequences. The three components of Skinner's framework are found in Exhibit 3-10, with an example.⁹⁹

The other motivation theories do not fundamentally change the motivational structure,¹⁰⁰ as reinforcement theory does. A recent meta-analysis of empirical research over the past 20 years found that reinforcement theory increased performance by 17 percent.¹⁰¹ Thus, reinforcement theory can be a consistent predictor of job behavior.¹⁰²

As illustrated in the example in Exhibit 3-10, behavior is a function of its consequences.¹⁰³ Employees learn what is, and is not, desired behavior as a result of the consequences for specific behavior. The two important concepts

Exhibit 3-10 *Components of reinforcement theory.*



used to modify behavior are the types of reinforcement and the schedules of reinforcement.

Learning Outcome 6

Explain the four types of reinforcement.

Types of Reinforcement

The four types of reinforcement are positive, avoidance, extinction, and punishment.

Positive Reinforcement

A method of encouraging continued behavior is to offer attractive consequences (rewards) for desirable performance.¹⁰⁴ For example, an employee is on time for a meeting and is rewarded by the manager thanking him or her. The praise is used to reinforce punctuality. Other reinforcements are pay, promotions, time off, increased status, and so forth. Author Ken Blanchard says that positive reinforcement results in positive results, and it is the best motivator for increasing productivity.¹⁰⁵

Avoidance Reinforcement

Avoidance is also called *negative reinforcement*. As with positive reinforcement, you are encouraging continued desirable behavior. The employee avoids the negative consequence. For example, an employee is punctual for a meeting to avoid the negative reinforcement, such as a reprimand. *Rules* are designed to get employees to avoid certain behavior. However, rules in and of themselves are not a punishment. Punishment is given only if the rule is broken.

Extinction

Rather than encourage desirable behavior, extinction (and punishment) attempts to reduce or eliminate undesirable behavior by withholding reinforcement when the behavior occurs. For example, an employee who is late for a meeting is not rewarded with praise. Or the manager may withhold a reward of value, such as a pay raise, until the employee performs to set standards.

From another perspective, managers who do not reward good performance can cause its extinction.¹⁰⁶ In other words, if you ignore good employee performance, good performance may stop because employees think, “Why should I do a good job if I’m not rewarded in some way?”

Punishment

Punishment is used to provide an undesirable consequence for undesirable behavior.¹⁰⁷ For example, an employee who is late for a meeting is reprimanded. Notice that with avoidance there is no actual punishment; it’s the threat of the punishment that controls behavior. Other methods of punishment include harassing, taking away privileges, probation, fining, demoting, firing, and so forth. Using punishment may reduce the undesirable behavior; but it may cause other undesirable behaviors, such as poor morale, lower productivity, and acts of theft or sabotage. Punishment is the most controversial and the

Exhibit 3-11 *Types of reinforcement.*

As a manager, you have a secretary who makes many errors when completing correspondence. Your objective, which you discussed with the secretary, is to decrease the error rate by 50 percent by Friday June 2, 2006. Based on the secretary's performance at that time, you have four types of reinforcement that you can use with him or her when you next review the work.

EMPLOYEE BEHAVIOR		TYPE OF REINFORCEMENT		MANAGER ACTION (CONSEQUENCE)		EMPLOYEE BEHAVIOR MODIFICATION (FUTURE)
Improved performance	→	Positive	→	Praise improvements	→	Repeat quality work*
Improved performance	→	Avoidance	→	Do not give any reprimand	→	Repeat quality work
Performance not improved	→	Extinction	→	Withhold praise/raise	→	Do not repeat poor work
Performance not improved	→	Punishment	→	Discipline action, such as a written warning	→	Do not repeat poor work

*Assuming the employee improved performance, positive reinforcement is the best motivator.

least effective method in motivating employees. Exhibit 3-11 illustrates the four types of reinforcement.

Schedules of Reinforcement

The second reinforcement consideration in controlling behavior is determining when to reinforce performance. The two major classifications are continuous and intermittent.

Continuous Reinforcement

With a continuous method, each and every desired behavior is reinforced. Examples of this method would be a machine with an automatic counter that lets the employee know, at any given moment, exactly how many units have been produced, a piece rate of \$1 for each unit produced, or a manager who comments on every customer report.

Intermittent Reinforcement

With intermittent reinforcement, the reward is given based on the passage of time or output. When the reward is based on the passage of time, it is called an *interval* schedule. When it is based on output, it is called a *ratio* schedule. When electing to use intermittent reinforcement, you have four alternatives:

- *Fixed interval schedule.* Giving a salary paycheck every week, breaks and meals at the same time every day.
- *Variable interval schedule.* Giving praise only now and then, a surprise inspection, or a pop quiz.
- *Fixed ratio schedule.* Giving a piece rate or bonus after producing a standard rate.
- *Variable ratio schedule.* Giving praise for excellent work, or a lottery for employees who have not been absent for a set time.

Ratios are generally better motivators than intervals. The variable ratio tends to be the most powerful schedule for sustaining behavior.

WorkApplication10

Give one or more examples of the types of reinforcement, and the schedules used, on a present or past job.

Ethical Dilemma 2

Airlines

An airline often charges higher fares for one-way tickets than round-trip tickets, and for direct flight tickets to its hub than for flight connections from its hub to another destination. So some travelers buy round-trip tickets and only go one way, and some end their travel at the hub instead of taking the connection (a “hidden city” itinerary), to save money. The airlines call this breach of contract: they have *punished* travel agencies for tickets that aren’t properly used, they sometimes demand higher fares from travelers caught, and they have seized some travelers’ frequent-flier miles, saying they were fraudulently obtained.

1. Not using the full travel of a ticket breaks airline rules but not the law, so it’s not illegal, unless travelers lie about what they are doing. But is it ethical and socially responsible behavior of travelers?
2. Is it ethical and socially responsible for airlines to charge more for less travel?
3. Is it ethical and socially responsible to punish people who break the ticket rules?
4. Is reinforcement theory effective (does it motivate you and others) in today’s global economy?
5. Is reinforcement theory ethical and socially responsible, or manipulative?

You Get What You Reinforce

You get what you reinforce, not necessarily what you reward. Recall that there are four types of reinforcement, and reward is only one of them; it doesn’t always motivate the desired behavior. One of the important things you should learn in this course is that people will do what they are reinforced for doing. People seek information concerning what activities are reinforced, and then seek to do (or at least pretend to do) those things, often to the exclusion of activities not reinforced. The extent to which this occurs, of course, depends on the attractiveness of the rewards offered and the penalties for the behavior.¹⁰⁸

For example, if a professor gives a class a reading list of several sources, but tells students (or they realize without being told) that they will not discuss them in class, nor be tested on them, how many students will read them? Or, if the professor says, “ABC from this chapter are important and I’ll test you on them, but XYZ will not be on the test,” will students spend equal time studying both groups of material?

In the business setting, if the manager repeatedly says quality is important, but the standard of evaluation includes only quantity and meeting scheduled shipments, how many employees will ship poor-quality products to meet the scheduled shipment? How many will miss the scheduled shipment, take a reprimand for missing the scheduled shipment, and get a poor performance review in order to do a quality job? An incomplete standard measuring only quantitative output that is highly visible and easy to measure is a common problem.¹⁰⁹

Exhibit 3-12 *Common management reward follies.*

MANAGERS HOPE FOR:	BUT MANAGERS FREQUENTLY REWARD:
Long-term growth and environmental social responsibility	Quarterly earnings
Innovative thinking and risk taking	Proven methods and not making mistakes
Teamwork and collaboration	The best competitive individual performers
Employee involvement and empowerment	Tight control over operations and resources
High achievement	Another year's effort
Candor such as telling of bad news early	Reporting good news, whether it is true or not, and agreeing with the boss, whether the boss is right or wrong

Source: Adapted from S. Kerr. "On the Folly of Rewarding A, While Hoping for B." *Academy of Management Executive* 9 (February 1995): 32–40.

The Folly of Rewarding A, while Hoping for B

Reward systems are often fouled up in that the types of behavior being rewarded are those that the manager is trying to discourage, while the desired behavior is not being rewarded at all. This problem is called the folly of rewarding A, while hoping for B.¹¹⁰ Exhibit 3-12 presents a couple of examples.

Motivating with Reinforcement

Several organizations, including 3M, Frito-Lay, and B. F. Goodrich, have used reinforcement to increase productivity; Michigan Bell had a 50 percent improvement in attendance and above-standard productivity and efficiency level; and Emery Air Freight went from 30 percent of employees meeting the standard to 90 percent after using reinforcement. Emery estimates that its reinforcement program has resulted in a \$650,000 yearly savings.

Generally, positive reinforcement is the best motivator. Continuous reinforcement is better at sustaining desired behavior; however, it is not always possible or practical. Here are some general guidelines for using positive reinforcement:

1. Make sure employees know exactly what is expected of them. Set clear objectives.¹¹¹
2. Select appropriate rewards.¹¹² A reward to one person could be considered a punishment by another. Know your employees' needs.
3. Select the appropriate reinforcement schedule.
4. Do not reward mediocre or poor performance.
5. Look for the positive and give praise, rather than focus on the negative and criticize. Make people feel good about themselves (Pygmalion effect).
6. Never go a day without giving sincere praise.
7. Do things for your employees, instead of to them, and you will see productivity increases.

As a manager, try the positive first. Positive reinforcement is a true motivator because it creates a win-win situation by meeting the needs of the employee as well as the manager and organization. From the employees' perspective, avoidance and punishment create a lose-win situation. The organization or manager wins by forcing them to do something they really don't want to do.

Giving Praise

Pay can increase performance. But it is not the only, nor necessarily the best, reinforcer for performance. Empirical research studies have found that feedback and social reinforcers (praise) may have as strong an impact on performance as pay.¹¹³ In the 1940s, a survey revealed that what employees want most from a job is full appreciation for work done. Similar studies have been performed over the years with little change in results. Jack Welch says to find ways to celebrate achievements.¹¹⁴

Although research has shown praise to be an effective motivator, and giving praise costs nothing and takes only a minute, few employees are getting a pat on the back these days. When was the last time your manager thanked you or gave you some praise for a job well done? When was the last time your manager complained about your work? If you are a manager, when was the last time you praised or criticized your employees? What is the ratio of praise to criticism?

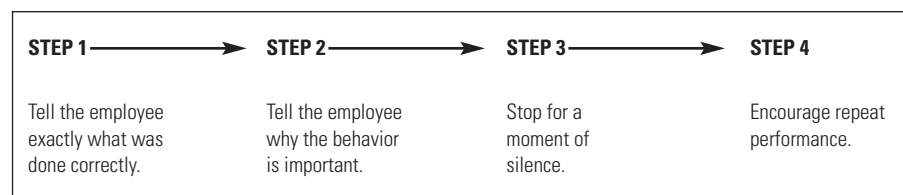
Giving praise develops a positive self-concept in employees and leads to better performance—the Pygmalion effect and self-fulfilling prophecy. Praise is a motivator (not maintenance) because it meets employees' needs for esteem and self-actualization, growth, and achievement. Giving praise creates a win-win situation. It is probably the most powerful, simplest, least costly, and yet most underused motivational technique there is.

Ken Blanchard and Spencer Johnson popularized giving praise through their best-selling book, *The One-Minute Manager*.¹¹⁵ They developed a technique that involves giving one-minute feedback of praise. Model 3-2, Giving Praise, is an adaptation. *The steps in the giving praise model are (1) Tell the employee exactly what was done correctly. (2) Tell the employee why the behavior is important. (3) Stop for a moment of silence. (4) Encourage repeat performance.* Blanchard calls it one-minute praise because it should not take more than one minute to give the praise. It is not necessary for the employee to say anything. The four steps are described below and illustrated in Model 3-2.

step 1.

Tell the employee exactly what was done correctly. When giving praise, look the person in the eye. Eye contact shows sincerity and concern. It is important to be very specific and descriptive. General

Model 3-2 Giving praise.



statements, like “you’re a good worker,” are not as effective. On the other hand, don’t talk for too long, or the praise loses its effectiveness.

step 2. **Tell the employee why the behavior is important.** Briefly state how the organization and/or person benefits from the action. It is also helpful to tell the employee how you feel about the behavior. Be specific and descriptive.

step 3. **Stop for a moment of silence.** Being silent is tough for many managers. The rationale for the silence is to give the employee the chance to “feel” the impact of the praise. It’s like “the pause that refreshes.” When you are thirsty and take the first sip or gulp of a refreshing drink, it’s not until you stop, and maybe say, “Ah,” that you feel your thirst quenched.

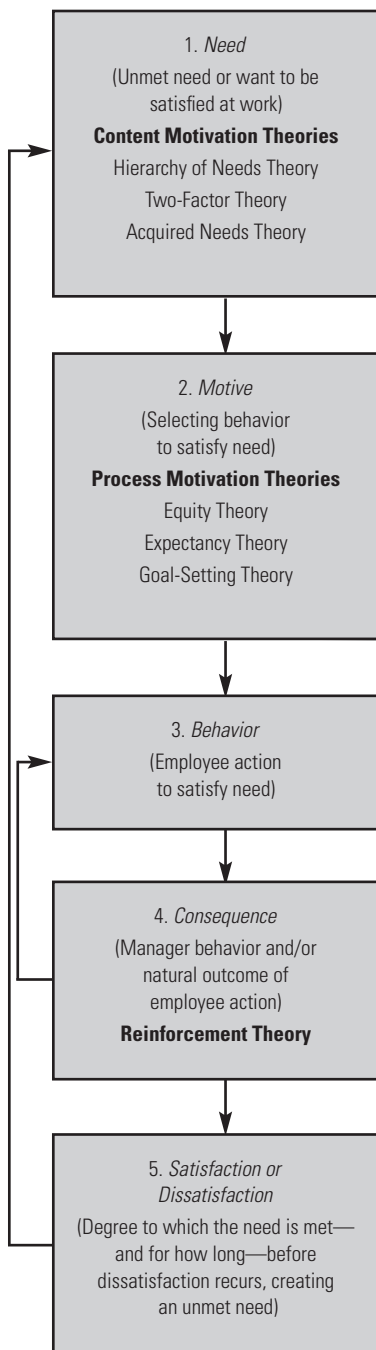
step 4. **Encourage repeat performance.** This is the reinforcement that motivates the employee to continue the desired behavior. Blanchard recommends touching the employee. Touching has a powerful impact. However, he recommends it only if both parties feel comfortable. Others say don’t touch employees; it could lead to a sexual harassment charge.

As you can see, giving praise is easy, and it doesn’t cost a penny. Managers trained to give praise say it works wonders. It’s a much better motivator than giving a raise or other monetary reward. One manager stated that an employee was taking his time stacking cans on a display. He gave the employee praise for stacking the cans so straight. The employee was so pleased with the praise that the display went up with about a 100 percent increase in productivity. Note that the manager looked for the positive, and used positive reinforcement rather than punishment. The manager could have given a reprimand comment such as, “Quit goofing off and get the display up faster.” That statement would not have motivated the employee to increase productivity. All it would have done was hurt human relations, and could have ended in an argument. The cans were straight. The employee was not praised for the slow work pace. However, if the praise had not worked, the manager should have used another reinforcement method.¹¹⁶

5. How Does Market America Use Reinforcement Theory to Motivate Its Distributors?

Market America uses *positive reinforcement* with a *continuous reinforcement schedule* as each and every sale results in compensation. It has a standardized meetings system throughout all of the areas. However, the frequency of meetings is based on a *variable ratio schedule* depending on the area and the amount of activity in the area. There are business briefings, showing the business to others, trainings, teaching new and existing distributors, seminars, district rallies and a national convention. *Praise* and other recognition for accomplishments are given during meetings. Distributors share successes stories, testimonials, voice mail tips, tapes and books.

Exhibit 3-13 *The motivation process with the motivation theories.*



Learning Outcome 7

State the major differences among content, process, and reinforcement theories.

Putting the Motivation Theories Together within the Motivation Process

Goal-setting theory gurus Edwin Locke and Gary Latham recently stated that there is an urgent need to tie motivational theories and processes together into an overall model, insofar as it is possible.¹¹⁷ That is exactly what we do in this last section of the chapter.

Motivation is important because it helps to explain why employees behave the way they do. At this point you may be wondering: How do these theories fit together? Is one the best? Should I try to pick the correct theory for a given situation? The groups of theories are complementary; each group of theories refers to a different stage in the motivation process. Each group of theories answers a different question. Content motivation theories answer the question: What needs do employees have that should be met on the job? Process motivation theories answer the question: How do employees choose behavior to fulfill their needs? Reinforcement theory answers the question: What can managers do to get employees to behave in ways that meet the organizational objectives?

In this chapter you learned that the motivation process went from need to motive to behavior to consequence to satisfaction or dissatisfaction. Now let's make the motivation process a little more complex by incorporating the motivation theories, or answers to the preceding questions, into the process. See Exhibit 3-13 for an illustration. Note that step 4 loops back to step 3 because, according to reinforcement theory, behavior is learned through consequences. Step 4 does not loop back to steps 1 or 2 because reinforcement theory is not concerned about needs, motives, or satisfaction; it focuses on getting employees to behave in predetermined ways, through consequences provided by managers. Also note that step 5 loops back to step 1 because meeting needs is ongoing; meeting our needs is a never-ending process. Finally, be aware that according to two-factor theory, step 5 (satisfaction or dissatisfaction) is not on one continuum but on two separate continuums (satisfied to not satisfied or dissatisfied to not dissatisfied), based on the level of need being met (motivator or maintenance).

Go to the Internet (<http://lussier.swlearning.com>) where you will find a broad array of resources to help maximize your learning.

- Review the vocabulary
- Try a quiz
- View chapter videos

Motivation Theories

Identify each supervisor's statement of how to motivate employees by the theory behind the statement. Write the appropriate letter in the blank before each item.

- | | | |
|-----------------------|-----------------|------------------|
| a. hierarchy of needs | d. equity | f. expectancy |
| b. two-factor | e. goal-setting | g. reinforcement |
| c. acquired needs | | |

- ___ 11. I motivate employees by making their jobs interesting and challenging.
- ___ 12. I make sure I treat everyone fairly to motivate them.
- ___ 13. I know Kate likes people, so I give her jobs in which she works with other employees.
- ___ 14. Carl would often yell in the halls because he knew it bothered me. So I decided to ignore his yelling, and he stopped.
- ___ 15. I got to know all of my employees' values. Now I can offer rewards that will motivate them when they achieve attainable task performance.
- ___ 16. Our company now offers good working conditions, salaries, and benefits, so we are working at developing the third need for socialization.
- ___ 17. When my employees do a good job, I thank them using a four-step model.
- ___ 18. I used to try to improve working conditions to motivate employees. But I stopped and now focus on giving employees more responsibility so they can grow and develop new skills.
- ___ 19. I tell employees exactly what I want them to do, with a tough deadline that they can achieve.
- ___ 20. I now realize that I tend to be an autocratic manager because it helps fill my needs. I will work at giving some of my employees more autonomy on how they do their jobs.

Applying the Concept 3

Chapter Summary

The chapter summary is organized to answer the eight learning outcomes for Chapter 3.

1. List the University of Iowa leadership styles.

The University of Iowa leadership styles are autocratic and democratic.

2. Describe similarities and differences between the University of Michigan and Ohio State University leadership models.

The University of Michigan and Ohio State University Leadership Models are similar because they are both based on the

same two distinct leadership behaviors, although the models use different names for the two behaviors. The models are different because the University of Michigan model identifies two leadership styles based on either job- or employee-centered behavior. The Ohio State University model states that a leader uses high or low structure and consideration, resulting in four leadership style combinations of these two behaviors.

3. Discuss similarities and differences between the Ohio State University Leadership Model and the Leadership Grid.

Both theories are based on the same two leadership behaviors; but use different names for the two dimensions. The theories

are different because the Leadership Grid identifies five leadership styles, with one being middle of the road, while the Ohio State Model identifies four leadership styles. The Leadership Grid also gives each combination of the two-dimensional behaviors one leadership style name. Authors of the Leadership Grid were strong supporters of the high-high team leadership style as the best.

4. Discuss similarities and differences among the three content motivation theories.

Similarities among the content motivation theories include their focus on identifying and understanding employee needs. The theories identify similar needs, but are different in the way they classify the needs. Hierarchy of needs theory includes physiological, safety, belongingness, esteem, and self-actualization needs. Two-factor theory includes motivators and maintenance factors. Acquired needs theory includes achievement, power, and affiliation needs and includes no lower level needs, as the other two theories do.

5. Discuss the major similarities and differences among the three process motivation theories.

The similarity among the three process motivation theories includes their focus on understanding how employees choose behaviors to fulfill their needs. However, they are very different in their perceptions of how employees are motivated. Equity theory proposes that employees are motivated when their perceived inputs equal outputs. Goal-setting theory proposes that achievable, difficult goals motivate employees. Expectancy theory proposes that employees are motivated when they believe they can accomplish the task and the rewards for doing so are worth the effort.

6. Explain the four types of reinforcement.

(1) Positive reinforcement provides the employee with a reward consequence for performing the desired behavior. (2) Avoidance reinforcement encourages employees to perform the desired behavior in order to avoid a negative consequence. (3) Extinction reinforcement withholds a positive consequence to get the employee to stop performing undesirable behavior. (4) Punishment reinforcement gives the employee a negative consequence to get the employee to stop performing undesirable behavior.

7. State the major differences among content, process, and reinforcement theories.

Content motivation theories focus on identifying and understanding employees' needs. Process motivation goes a step further to understand how employees choose behavior to fulfill their needs. Reinforcement theory is not as concerned about employee needs; it focuses on getting employees to do what managers want them to do through the consequences provided by managers for their behavior. The use of rewards is the means of motivating employees.

8. Define the following key terms (in order of appearance in the chapter).

Select one or more methods: (1) fill in the missing key terms from memory, (2) match the key terms from the following list with their definitions below, (3) copy the key terms in order from the list at the beginning of the chapter.

_____ is the combination of traits, skills, and behaviors leaders use as they interact with followers.

_____ identifies two leadership styles: job-centered and employee-centered.

_____ identifies four leadership styles: low structure and high consideration, high structure and high consideration, low structure and low consideration, and high structure and low consideration.

_____ identifies five leadership styles: 1,1 impoverished; 9,1 authority-compliance; 1,9 country club; 5,5 middle of the road; and 9,9 team leader.

_____ is anything that affects behavior in pursuing a certain outcome.

_____ is when people go from need to motive to behavior to consequence to satisfaction or dissatisfaction.

_____ focus on explaining and predicting behavior based on people's needs.

_____ proposes that people are motivated through five levels of needs—physiological, safety, belongingness, esteem, and self-actualization.

_____ proposes that people are motivated by motivators rather than maintenance factors.

_____ proposes that people are motivated by their need for achievement, power, and affiliation.

_____ focus on understanding how people choose behavior to fulfill their needs.

_____ proposes that people are motivated when their perceived inputs equal outputs.

_____ proposes that people are motivated when they believe they can accomplish the task, they will get the reward, and the rewards for doing so are worth the effort.

_____ proposes that specific, difficult goals motivate people.

_____ includes (1) To + (2) action verb + (3) singular, specific, and measurable result to be achieved + (4) target date.

_____ proposes that through the consequences for behavior, people will be motivated to behave in predetermined ways.

_____ includes four steps—(1) Tell the employee exactly what was done correctly. (2) Tell the employee why the behavior is important. (3) Stop for a moment of silence. (4) Encourage repeat performance.

Key Terms

acquired needs theory, 91
 content motivation theories, 85
 equity theory, 93
 expectancy theory, 94
 giving praise model, 104
 goal-setting theory, 96
 hierarchy of needs theory, 87

Leadership Grid, 81
 leadership style, 75
 motivation, 84
 motivation process, 84
 Ohio State University Leadership Model, 79

process motivation theories, 93
 reinforcement theory, 99
 two-factor theory, 88
 University of Michigan Leadership Model, 76
 writing objectives model, 96

Review and Discussion Questions

1. How is leadership behavior based on traits?
2. Do you agree with the University of Michigan model (with two leadership styles) or with the Ohio State model (with four leadership styles)?
3. What are three important contributions of the University of Michigan and Ohio State University studies?
4. What are three important contributions of the Leadership Grid and high-high research?
5. What is motivation, and why is it important to know how to motivate employees?
6. Which of the four content motivation theories do you prefer? Why?
7. Which of the three process motivation theories do you prefer? Why?
8. Reinforcement theory is unethical because it is used to manipulate employees. Do you agree with this statement? Explain your answer.
9. Which motivation theory do you feel is the best? Explain why.
10. What is your motivation theory? What major methods, techniques, and so on, do you plan to use on the job as a manager to increase motivation and performance?

SOUTH-WESTERN

Case

ART FRIEDMAN—FRIEDMANS MICROWAVE OVENS

Friedmans Microwave Ovens began in 1976 in Oakland, California, with the goal of being the absolute best place to buy a microwave oven and its accessories. For 30 years, Friedmans has been accomplishing its goal by providing superior service, good prices, unconditional satisfaction guarantees, and cooking classes to educate customers on how to get the most from their microwave. Friedmans also offers installation and repair services. Friedmans has sold more than two million microwaves, and it currently has seven stores in California, and one in Tennessee.

Its most recent strategic expansion has been to the Internet. Friedmans sells a wide range of famous brands of microwave ovens and accessories indirectly through its website at <http://www.friedmansmicrowave.com>. Unlike competitors, at the website, you will not find pictures and descriptions of all the microwaves Friedmans sells with instructions for buying directly over the Internet. You are asked to call or e-mail to discuss what you are looking for, or to ask any questions.

Thus, using the Internet, Friedmans continues to focus on superior customer service.

Going to the Net was Friedmans' third major strategic move. Friedmans actually started in 1970 as Friedmans Appliances, selling all types of major appliances, so it changed its name and focus to microwaves only. Friedmans second strategic move was to franchise its microwave business, using Art Friedman's motivational technique of making everyone a boss. The original appliance store employed 15 people in Oakland, California. Friedman believed that his employees were not motivated, so he implemented the following changes to motivate his employees, and he still uses these techniques today. The following conversation took place between Bob Lussier and founder Art Friedman.

Bob: What is the reason for your success in business?

Art: My business technique.

Bob: What is it? How did you implement it?

Art: I called my 15 employees together and told them, “From now on I want you to feel as though the company is ours, not mine. We are all bosses. From now on you decide what you’re worth and tell the accountant to put it in your pay envelope. You decide which days and hours you work and when to take time off. We will have an open petty cash system that will allow anyone to go into the box and borrow money when they need it.”

Bob: You’re kidding, right?

Art: No, it’s true. I really do these things.

Bob: Did anyone ask for a raise?

Art: Yes, several people did. Charlie asked for and received a \$100-a-week raise.

Bob: Did he and the others increase their productivity to earn their raises?

Art: Yes, they all did.

Bob: How could you run an appliance store with employees coming and going as they pleased?

Art: The employees made up schedules that were satisfactory to everyone. We had no problems of under- or overstaffing.

Bob: Did anyone steal from the petty cash box?

Art: No.

Bob: Would this technique work in any business?

Art: It did work, it still works, and it will always work!

GO TO THE INTERNET: To learn more about Friedman’s Microwave Ovens, log on to InfoTrac® College Edition at <http://infotrac.thomsonlearning.com> and use the advanced search function.

Support your answers to the following questions with specific information from the case and text or other information you get from the Web or other sources.

1. Which University of Iowa, Michigan, and Ohio State leadership styles does Art Friedman use?

2. Which specific motivation level, factor, and need (from the content motivation theories) applies to Friedman’s Microwave Ovens?
3. Do equity and expectancy theory apply to this case? Explain.
4. Which type of reinforcement does Friedman use?
5. Do you know of any organizations that use any of Friedman’s or other unusual techniques? If yes, what is the organization’s name? What does it do?
6. Could Friedman’s techniques work in all organizations? Explain your answer.
7. In a position of authority, would you use Friedman’s techniques? Which ones?

Cumulative Case Questions

8. Which of the Big Five personality dimensions is best illustrated in this case by Art Friedman (Chapter 2)?
9. Does Friedman have a Theory X or Theory Y attitude (Chapter 2)?

Case Exercise and Role-Play

Preparation: From case question 7, which of Friedman’s motivational techniques would you use to motivate franchisees? Which techniques of your own or from other organizations would you use? Justify your choice of motivation techniques.

In-Class Groups: Break into groups of 4 to 6 members, and develop a list of motivational techniques group members would use, with justification. Select a spokesperson to record the techniques with justification and present them to the class.

Role-Play: One person (representing themselves or a group) may give the speech to the entire class, stating which new motivational techniques will be used and explaining each technique.

Video Case

Buffalo Zoo: Motivation in Organizations

When Donna Fernandes first arrived at the Buffalo Zoo in upstate New York, she encountered an organization plagued by flagging attendance, low employee morale, and a reputation for being poorly managed and operated. The autocratic leadership style and heavy-handed policies of former management had created an unpleasant work environment, and the well-trained and educated keepers and staff were not granted the freedom necessary to provide expert animal care.

View the Video (12 minutes)

View the video on Buffalo Zoo in class or at <http://lussier.swlearning.com>.

Read the Case

Under the direction of Ms. Fernandes, the Buffalo Zoo has enjoyed a turnaround of mammoth proportions. Fernandes’ participatory management style and natural enthusiasm for the job have made her mission to restore greatness to the Buffalo Zoo a dream shared by all. The Zoo’s fresh new initiatives and successes have been largely employee-driven, and many observers have noted that the CEO’s efforts to empower staff have given new life to the entire organization.

Today, the atmosphere at the Buffalo Zoo is upbeat and optimistic. Employees report being happier in their jobs, and they are given authority to make decisions and act on new ideas. With encouragement from Ms. Fernandes, the staff has created many exciting activities and exhibits to educate and entertain the Zoo’s 340,000 annual visitors. Guests at the new

and improved Buffalo Zoo can now buy unusual paintings made by elephants and other wild animals. They can feed the giraffes, take a starlight safari, tour the conservation station, or see the vanishing animals exhibit—all within renovated buildings, naturalized habitats, and clean grounds that have replaced the Zoo’s old worn exterior.

How Donna Fernandes got everyone to transform a run-down, sparsely visited Zoo in the space of just a few years is a testimony to her motivational abilities. By understanding the underlying needs of her employees, Ms. Fernandes was able to foster a motivated staff committed to the dream of making the Buffalo Zoo an educational and entertaining attraction for individuals and families throughout the region.

Answer the Questions

1. Based on the personal testimonies given in the video, which needs in Maslow’s hierarchy do you think are most important to the employees at the Buffalo Zoo? What actions has Donna Fernandes taken to help meet those needs?
2. How does Ms. Fernandes use positive reinforcement to motivate her employees? Give specific examples.

Skill-Development Exercise 1

WRITING OBJECTIVES

Preparing for Skill-Development Exercise 1

For this exercise, you will first work at improving objectives that do not meet the criteria for objectives. Then you will write nine objectives for yourself.

Part 1. For each objective below, identify the missing criteria and rewrite the objective so that it meets all essential criteria. When writing objectives, use the model:

To + action verb + singular, specific, and measurable result + target date

1. To improve our company image by year-end 2007.
Criteria missing: _____
Improved objective: _____

2. To increase the number of customers by 10 percent.
Criteria missing: _____
Improved objective: _____

3. To increase profits during 2006.
Criteria missing: _____
Improved objective: _____

4. To sell 5 percent more hot dogs and soda at the baseball game on Sunday, June 13, 2006.
Criteria missing: _____
Improved objective: _____

Part 2. Write three educational, personal, and career objectives you want to accomplish. Your objectives can be as short term

as something you want to accomplish today, or as long term as 20 years from now. Be sure your objectives meet the criteria for effective objectives.

Educational objectives:

1. _____
2. _____
3. _____

Personal objectives:

1. _____
2. _____
3. _____

Career objectives:

1. _____
2. _____
3. _____

Doing Skill-Development Exercise 1 in Class

Objective

To develop your skill at writing objectives.

Preparation

You should have corrected and have written objectives during the preparation before class.

Experience

You will get feedback on how well you corrected the four objectives and share your written objectives with others.

Options (8–20 minutes)

- A. The instructor goes over suggested corrections for the four objectives in part 1 of the preparation, and then

calls on class members to share their written objectives with the class in part 2.

- B. The instructor goes over suggested corrections for the four objectives in part 1 of the preparation, and then the class breaks into groups of four to six to share their written objectives.
- C. Break into groups of four to six and go over the corrections for the four objectives in part 1. Tell the instructor when your group is done, but go on to part 2, sharing your written objectives, until all groups are finished with the four corrections. The instructor goes over the corrections and may allow more time for sharing objectives. Give each other feedback for improving your written objectives during part 2.

Conclusion

The instructor may lead a class discussion and/or make concluding remarks.

Apply It (2–4 minutes)

What did I learn from this experience? How will I use the knowledge in the future?

Sharing

In the group, or to the entire class, volunteers may give their answers to the “Apply It” questions.

Behavior Model Skills Training 1

Session 1

This training for leadership behavior modeling skills has four parts, as follows.

- 1. First, read how to use the model.
- 2. Then, view the behavior model video that illustrates how to give praise, following the four steps in the model.
- 3. Develop the skill in class by doing Skill-Development Exercise 2.

- 4. Further develop this skill by using the model in your personal and professional life.

Giving Praise Model

Review Model 3-2, “Giving Praise,” in the text.

SOUTH-WESTERN

Behavior Model Video 1

GIVING PRAISE

Objective

To assist you in giving praise that motivates others to high levels of performance.

Video (4½ minutes) Overview

You will watch a bank branch manager give praise to an employee for two different jobs well done.

Skill-Development Exercise 2

GIVING PRAISE

Preparing for Skill-Development Exercise 2

Think of a job situation in which you did something well-deserving of praise and recognition. For example, you may have saved the company some money, you may have turned a dissatisfied customer into a happy one, and so forth. If you have never worked or done something well, interview someone

who has. Put yourself in a management position and write out the praise you would give to an employee for doing what you did. Briefly describe the situation:

Step 1. Tell the employee exactly what was done correctly.

Step 2. Tell the employee why the behavior is important.

Step 3. Stop for a moment of silence. (Count to five silently to yourself.)

Step 4. Encourage repeat performance.

3. Give the praise. (Talk; don't read it off the paper.) Try to select the position you would use if you were actually giving the praise on the job. (Both standing, both sitting, etc.)

4. Integration. The group gives the praise-giver feedback on how he or she did:

Step 1. Was the praise very specific and descriptive? Did the giver look the employee in the eye?

Step 2. Was the importance of the behavior clearly stated?

Step 3. Did the giver stop for a moment of silence?

Step 4. Did the giver encourage repeat performance? Did the giver of praise touch the receiver (optional)?

Did the praise take less than one minute? Was the praise sincere?

Doing Skill-Development Exercise 2 in Class

Objective

To develop your skill at giving praise.

Preparation

You will need your prepared praise.

Experience

You will give and receive praise.

Procedure (10–15 minutes)

Break into groups of four to six. One at a time, give the praise you prepared.

1. Explain the situation.
2. Select a group member to receive the praise.

Conclusion

The instructor leads a class discussion and/or makes concluding remarks.

Apply It (2–4 minutes)

What did I learn from this experience? How will I use this knowledge in the future? When will I practice?

Sharing

In the group, or to the entire class, volunteers may give their answers to the “Apply It” questions.

