

Be A Manager – for God's Sake UNIT VI: Theory Y? – Because We Like You

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Chapter 16: Theory X versus Theory Y

Douglas McGregor

I am interested in Douglas McGregor because of his tremendous impact on what later became Total Quality Management. I am always interested to learn that a major thinker in management philosophy was a strong Christian with foundational beliefs. I am convinced that Douglas McGregor operated on those beliefs. The editors of the essays in McGregor's book, Leadership and Motivation, include the following:

Doug's great grandfather set a standard for the McGregors as a Scotch Presbyterian minister, and his son, Thomas, made a living selling pianos and organs around Ohio, taking livestock for payment, and selling the livestock too. Not content with this, Thomas raised money from businessmen in Toledo to start a mission for transient laborers, with concern for their salvation as well as providing shelter and food. His dream was to build homes for homeless men in each of the industrial cities around the Great Lakes. He died of pneumonia after digging a foundation for what later became the McGregor Institute in Detroit. Tracy McGregor, Thomas's oldest son (and Doug's uncle) continued his father's work and started many other philanthropies in the Detroit area and, in fact, helped Doug finance his graduate education.

I have no empirical data or stated confession from McGregor regarding his relationship with Jesus, but I offer the following passage written by McGregor's wife, Caroline, about McGregor which you may find in his book Leadership and Motivation:

Doug's father became Director of the McGregor Institute in 1915. Family life revolved around this work – a chapel service every evening as well as the feeding and

housing of as many as 700 men who were low on the totem pole of human dignity. Dad conducted service, played the organ, and Doug sometimes accompanied him on the piano, and Mother, who had a lovely contralto voice, occasionally sang. Both Doug and his brother worked in the office and at the desk out of school hours. Many of the staff were rehabilitated homeless men. Mother often had groups of the men for social evenings at the house.

Dad held strong religious beliefs, was a zealous Bible scholar and a lay preacher in his own right. As I look back on my first contacts with Doug’s family, I am impressed with the deep concern for mankind, which Doug shared, and an equally deep pessimism in respect to man’s potential goodness and strength, which Doug continued to challenge in his work and writings. It is significant that he chose to work with leaders in our society rather than the failures.

Although religion had a stern quality, there was a rich enjoyment of music by the entire family. Doug studied piano and “picked up” a number of other instruments. He was a skilled accompanist and traveled during summer breaks with an evangelist. This is perhaps where he learned to sing *Onward Christian Soldiers*. Later, at Oberlin, he directed a church choir for extra income.

The evidence, above, is more than circumstantial. Douglas McGregor’s upbringing and values contributed markedly to his management philosophy. He wrote *The Human Side of Enterprise* in 1960, and changed the way managers view their own assumptions and behavior. McGregor detailed and identified Theory X and Theory Y. McGregor meant Theory X to show how managers thought and Theory Y to show how employees really think.

Theory X states that employees will not work if left to their own devices; employees are inherently bad and must be forced and coerced into work. Theory Y states that employees find work as natural as play and will work diligently to the firm’s aims if the goals, beliefs, and values of the firm match their own. (Greater depth in the assumptions follow later in quoted passages from *The Human Side of Enterprise*.) McGregor’s famous theories are, I believe, the most quoted and the least read by management professors.

Management professors continually teach that there are Theory X and Theory Y employees. Not so. McGregor wrote that management erroneously believed people act as if they are Theory X, however, all people are Theory Y in belief.

Here is a series of quotations from McGregor:¹

Theory X provides an explanation of some human behavior in industry. These assumptions [Theory X and Theory Y] would not have persisted if there were not a

¹ McGregor, Douglas (1960) *The Human Side of Enterprise*. McGraw-Hill, New York

considerable body of evidence to support them. Nevertheless, there are many readily observable phenomena in industry and elsewhere which are not consistent with this view of human nature.

Such a state of affairs is not uncommon. The history of science provides many examples of theoretical explanations which persist over long periods despite the fact that they are only partially adequate. Newton's laws of motion are a case in point. It was not until the development of the theory of relativity during the present century that important inconsistencies and inadequacies in Newtonian theory could be understood and corrected.

The growth of knowledge in the social sciences during the past quarter century has made it possible to reformulate some assumptions about human nature and human behavior in the organizational setting which resolve certain . . . inconsistencies inherent in Theory X. While this reformulation is, of course, tentative, it provides an improved basis for prediction and control of human behavior in industry (p. 35).

Regarding motivation: at the core of any theory of the management of human resources are assumptions about human motivation.

Man is a wanting animal – as soon as one need is satisfied, another appears in its place.

Human needs are organized in a series of levels – a hierarchy of importance.

A satisfied need is not a motivator of behavior.

When man's physiological needs are satisfied and he is no longer fearful about his physical welfare, his social needs become important motivators of his behavior. These are such needs as those for belonging, for association, for acceptance by one's fellows, for giving and receiving friendship and love.

Management knows today (1960) of the existence of these needs, but it often assumes quite wrongly that they represent a threat to the organization (p. 37).
(*emphasis mine*)

Theory X explains the consequences of a particular managerial strategy; it neither explains nor describes human nature although it purports to (p. 42).

Assumptions of Theory Y:

1. The expenditure of physical and mental effort in work is as natural as play or rest.

2. External control and the threat of punishment are not the only means for bringing about effort toward organizational objectives. Man will exercise self-direction and self-control in the service of objectives to which he is committed.
3. Commitment to objectives is a function of the rewards associated with their achievement.
4. The average human being learns, under proper conditions, not only to accept but to seek responsibility.
5. The capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in the solution of organizational problems is widely, not narrowly, distributed in the population.
6. Under the conditions of modern industrial life, the intellectual potentialities of the average human being are only partially utilized (pp. 47-48).

Theory X offers management an easy rationalization for ineffective organizational performance – it is due to the nature of the human resources with which we must work. Theory Y, on the other hand, places the problems squarely in the lap of management. If employees are lazy, indifferent, unwilling to take responsibility, intransigent, uncreative, or uncooperative, then Theory Y implies that the causes lie in management's methods of organization and control (p. 48).

The central principle of organization which derives from Theory X is that of direction and control through the exercise of authority – what has been called "the scalar principle." The central principle which derives from Theory Y is that of integration – the creation of conditions such that the members of the organization can achieve their own goals best by directing their efforts toward the success of the enterprise. These two principles have profoundly different implications with respect to the task of managing human resources, but the scalar principle is so firmly built into managerial attitudes that the implications of the principle of integration are not easy to perceive (p. 49). Acceptance of Theory Y does not imply abdication or "soft" management or "permissiveness." As was indicated above, such notions stem from the acceptance of authority as the single means of managerial control, and from attempts to minimize its negative consequences. Theory Y assumes that people will exercise self-direction and self-control in the achievement of organizational objectives *"to the degree that they are committed to those objectives."* If that commitment is small, only a slight degree of self-direction and self-control will be likely, and a substantial amount of external influence will be necessary. If it is large, many conventional external controls will be relatively superfluous, and to some extent self-defeating. Managerial policies and practices materially affect this degree of commitment (p. 54).

McGregor's other famous book, *Leadership and Motivation* (1966), is a collection of thoughts and concepts developed after *The Human Side of Enterprise*. McGregor writes that he was impressed with Joseph Scanlon's work. Scanlon is well known for his efforts in human resource management and benefit plan development. He is not well known for his beliefs on people management. His work mirrors that of McGregor.

McGregor on Scientific Management

Despite protests to the contrary, the approach of scientific management has been to treat the worker as a "hand" rather than a human being. The consequences of so doing have been attributed to the "natural" cussedness (meanness) of workers and explained as the price of technological efficiency. Pleasant working surroundings and fringe benefits have been used to alleviate the negative aspects of assembly-line jobs. Fancy communications programs and Madison Avenue sales gimmicks have been used to persuade the worker of the vital importance of his tiny contribution to the enterprise. These are understandable but largely ineffective palliatives. However, work simplification and all the other paraphernalia of the industrial engineer -- consistent with a view of the worker as a glorified machine tool -- remain the commonly accepted way to utilize human effort in industry.²

² McGregor, Douglas (1966) *Leadership and Motivation*. Reading, MA: Addison-Wesley, pp. 159-160

Chapter 17: Theory Z

As a follow-up to the previous chapter I offer another management theory which, I believe, builds on McGregor’s Theory Y. William Ouchi did not call his theory “Z” as a follow on to McGregor’s “X” and “Y,” but as a polar opposite to the typical American firm (Theory A).³

Theory Z

Theory Z companies have the following characteristics:

- Career paths wander around the firm across functions and hierarchies. People in Theory Z firms possess great understanding of the total firm.
- Decisions include a component of “suitability” and “corporate fit.” This can only occur because of the cross-function training gained by the wandering career paths.
- Organizational life is a life of interdependence. Each person relies on others in the firm.
- Decisions result from a participative process.
- Extensive energy is expended to develop the interpersonal skills necessary for effective group decision making.
- People deal with people in the organization rather than one position to another. Dealing with positions de-humanizes the people. This is in contrast to the bureaucratic view of the position as most important.
- People in Theory Z firms operate as clans. Individual performance is not as important as group and team performance.

Theory Z firms understand the innate desire of people for variation in life. Work assignments create variety by allowing people to work in different departments and perform different tasks.

Theory Z firms understand the paradox of gaining more by not working for profit alone. Rather, they work to see employees share in the wealth. The result is higher returns for longer periods of time.

Theory Z and Today’s Manager

So what does this have to do with you? You can adjust your management techniques to take advantage of Theory Z as well as Theory Y. Managers rarely take time to explain how each employee is interdependent on the work of others. Just taking time to show how each person fits in the greater whole can improve the overall effectiveness of the firm.

When assigning people to specific jobs, remember to provide some variation. Learn how much variation each person wants. Some like more than others. Give each person some autonomy in how they structure their job. The objectives of the department provide a basis for determining if the

³ Ouchi, William, (1981) *Theory Z: How American Business Can Meet the Japanese Challenge* Reading, Massachusetts: Addison-Wesley

structure is sufficient. If an employee comes up with a structure that you do not see the merit in using, avoid the temptation to criticize the structure. Rather, ask the employee how the structure answers particular concerns you have.

For example, consider an accounting employee who recommends that he or she work from 6:00 AM to 2:30 PM every other day in the office and from 8:00 AM to 4:20 PM on alternate days from the home. If you have a concern regarding the accessibility of the employee early in the morning and when they work at home, then ask the employee, “Help me see how I can still have access to you in the early morning and when you are at home.” Let the employee build the structure to meet your conditions. You may find out in the dialogue that your concerns are not as valid as you once thought.

Chapter 18: Practical application of motivational theories to the frontlines of management

Many managers shy away from studying theory. They see theory as not being practical. Kurt Lewin, one of the great management thinkers, once said: “There is nothing as practical as a good theory.” I encourage you to read this short chapter carefully and think how you can use each theory presented here. A good theory explains and predicts.

Motivation theories usually look at one small aspect of motivation. This occurs because theorists try to make each theory generalizable, accurate and simple. Thus, large theories which might explain everything become difficult to use. I offer a large model at the end of the chapter which incorporates much of what this chapter covers.

Models

Models provide a graphical explanation of the theory. Most models consist of three relationships: (1) independent variable to dependent variable, (2) independent variable to mediating variable to dependent variable, and (3) moderating variables impacting the first two relationships.

The Hawthorne studies provide an example of what I mean. In the Hawthorne studies, researchers increased the amount of light in the production areas to see if production would increase. Successive increases in light provided increases in production. Then a decrease in light caused an unexplained increase in production. The reason was a mediating variable. The change in light did not directly affect production, but rather affected the employees’ belief that the organization cared about them (referred to as organizational support). This mediating variable directly affected production rates.

Moderating variables impact the relationships of the independent and mediating variables to the dependent variables. Room temperature, new employees, new bosses, etc. change the impact of the illumination change on the employee’s perception of organizational support. Thus, for repetitive tests at different times and in different plants, the results may vary because of moderating variables. Moderating variables exist in a model as boxes above, or below, the main relationships and show their impact by an arrow.

Three theoretical views of motivation

We can look at motivation from three views: (1) person, (2) environment, and (3) person-environment. The person view of motivation examines the affect of personal needs and the drive for satisfaction of those needs. Maslow, Alderfer and McClelland’s theories occur here. The environment view of motivation includes the physical and social clues that determine behavior. Skinner’s operant conditioning and Hackman’s job design theories fit here. The person-environment view looks at how

the first two interact to motivate behavior. Locke's goal-setting, Porter-Lawler's theory of motivation, Adam's equity theory, procedural fairness theory, Vroom's expectancy theory, Fishbein's theory of reasoned action, and Bandura's social learning theory fit in this category.

This chapter offers a brief explanation of each theory and the importance of the theory to managers.

Person-Centered Theories

Maslow

Maslow sought to understand why normal people behave the way they behave. He sought to discern and interpret the extremes of people's needs. Few of your employees will feel hunger or insecurity to the depth that Maslow referred in his studies. Yet, the needs do exist in all of us to lesser extents and do shape our behavior.

Maslow saw human needs moving from basic survival to personal self-development.⁴

Maslow's Hierarchy of Needs states that an individual's behavior always works to meet physiological needs such as air, water, food, shelter and sex before meeting safety and higher needs. People risk their safety to get food when they are hungry. Remember that Maslow talked of hunger in the realm of starvation, not hunger because it is noon. As a rescue diver, I experienced the force of behavior guided at getting air while fifty feet below the water's surface. The other diver readily ignored his own safety and our social needs to get my air supply!

When an individual satisfies the physiological needs, behavior turns to meet the needs of safety before attempting to meet social and higher needs. Maslow determined that people would ignore the social implications to assure their own safety.

Social needs of affiliation, friendship, and marriage come next in Maslow's hierarchy. Maslow stated that people seek to satisfy social needs before the seek to satisfy their needs of self-esteem.

Maslow placed self-esteem and ego needs next in the hierarchy. He found that when people satisfied their social needs, they turned to themselves. Maslow includes such characteristics as a desire for strength, achievement, adequacy, mastery, independence and freedom in the self-esteem level.

Finally, Maslow purported that people, having satisfied all other needs, sought the level of self-actualization. In this level of need-focused behavior, people seek continual improvement, to "be all they can be" (to borrow from the U. S. Army's slogan).

Let me emphasize, again, that Maslow sought to understand "normal" people. The artist who goes without food, comfort, friends and self-esteem to create the 'great work of art' (a self-actualization behavior) is outside of Maslow's hierarchy. Maslow estimated that average working adults satisfied about 85 percent of their physiological needs, 70 percent of their safety needs, 50 percent of their

⁴ Maslow, Abraham H. (1954) *Motivation and Personality*. New York: Harper & Row

social needs, 40 percent of their self-esteem needs, and 10 percent of their self-actualization needs. Maslow never collected data to support this, but many other studies confirm that people report more of lower-order needs satisfied than higher-order needs.⁵

Although many people saw merit in what Maslow developed, many disagreed in whole, or in part. Alderfer was one who disagreed in part. Alderfer believed that the five steps Maslow defined seemed too confining and preferred three stages.

Alderfer’s ERG Theory

Alderfer accepted Maslow’s belief in needs driving behavior. Alderfer saw behavior in response to three needs categories: (1) Existence, (2) Relationships, and (3) Growth. The existence needs were those needs associated with the sustenance of life, such as air, water, food, sleep, shelter, and so on. Relationships referred to social interaction with others. Finally, growth needs described the self-esteem and self-continual-improvement that Maslow included in the self-actualization stage.

McClelland’s Needs Theory

McClelland took a slightly different approach to needs. McClelland saw behavior as driven by three needs: (1) need for achievement, (2) need for affiliation, and (3) need for power.

High-need achievers possess these characteristics:

1. High-need achievers have a strong desire to assume personal responsibility for performing a task or finding a solution to a problem. Consequently, they tend to work alone rather than with others. If the task requires the presence of others, they tend to choose co-workers based upon their competence rather than their friendship.
2. High-need achievers tend to set moderately difficult goals and take calculated risks. Consequently, in a ring-toss game where children tossed rings at a peg at any distance they chose, high-need achievers chose an intermediate distance where the probability of success was moderate, while low-need achievers chose either high or low probabilities of success by standing extremely close or very far away from the peg.
3. High-need achievers have a strong desire for performance feedback. These individuals want to know how well they have done, and they are anxious to receive feedback regardless of whether they have succeeded or failed.

High-need for affiliation people possess these characteristics:

1. They have a strong desire for approval and reassurance from others.
2. They have a tendency to conform to the wishes and norms of others when they are pressured by people whose friendships they value.
3. They have a sincere interest in the feelings of others.

⁵ Maslow, Abraham H. (1943) “A Theory of Human Motivation” Psychological Review Vol 1 pp. 370-396

High-need for power people possess these characteristics:

1. A desire to influence and direct somebody else.
2. A desire to exercise control over others.
3. A concern for maintaining leader-follower relations.⁶

Environment-Centered Theories

Operant Conditioning

B. F. Skinner developed the Behavior Modification techniques from Bandura's Social Learning Theory. Skinner worked mostly with animals such as pigeons and rats. But, he and other behaviorists applied the concepts to humans.

Skinner adopted this model to illustrate his theory of stimuli affecting the organism resulting in behavior:

$$S \rightarrow O \rightarrow B$$

Many Christians shy away from behavior modification because of the manipulation which goes on. However, most motivation theories result in manipulation of some sort. The key issue in manipulation is the agenda of the behaviorist and the amount of knowledge given to the employee. Good motivators know that success comes from finding the intrinsic motivation of the employee (that which works internal to the employee) and helping the employee receive the internal rewards.

However, there are certain tasks that people do not necessarily enjoy and find little intrinsic motivation in completing. Let me use myself as an example. My supervisor does not need to manipulate me to write a text or an essay, or to give a lecture. I find intrinsic motivation in these activities. But, ask me to clean my office or straighten up my books and it's a different story. I find no intrinsic motivation in cleaning, so I avoid it. Therefore, if my supervisor wants me to clean my office, he might consider using behavior modification.

The essence of behavior modification is the rewarding of any behavior which successively approximates the desired behavior. As new behavior comes closer to the desired behavior, less accurate behavior is no longer rewarded. Thus, in time, the person performs desired behavior because of the reward. Behaviorists call rewards "reinforcement" since the intent is to reinforce behavior.

To avoid continual rewards, behaviorists develop a reinforcement schedule. This schedule tells behaviorists that after the employee reaches the desired behavior, reinforcement is systematically reduced to a frequency which maintains the intent to behave. For example, let's continue to use

⁶ McClelland, David C. (1962) "Business Drive and National Achievement," *Harvard Business Review*, Vol 40 July, pp. 99-112

myself and my office for demonstration purposes. My supervisor reinforces any behavior of mine which moves me closer to a clean office. Once my office is clean and I continue to clean my office, my supervisor reduces the reinforcement to every other time I clean my office, then to every third time. As long as I maintain the behavior, the reinforcement schedule continues.

As you can see, there is quite a bit of work for the behavioral manager if he or she uses behavior modification. Random attempts tend to fail. Behavior modification must be systematic in its use.

Reinforcement which the employee desires and which encourages the behavior is called positive reinforcement. If reinforcement stops, or falls below effective levels, the behavior tends to go away. This condition is called “extinction” by behaviorists.

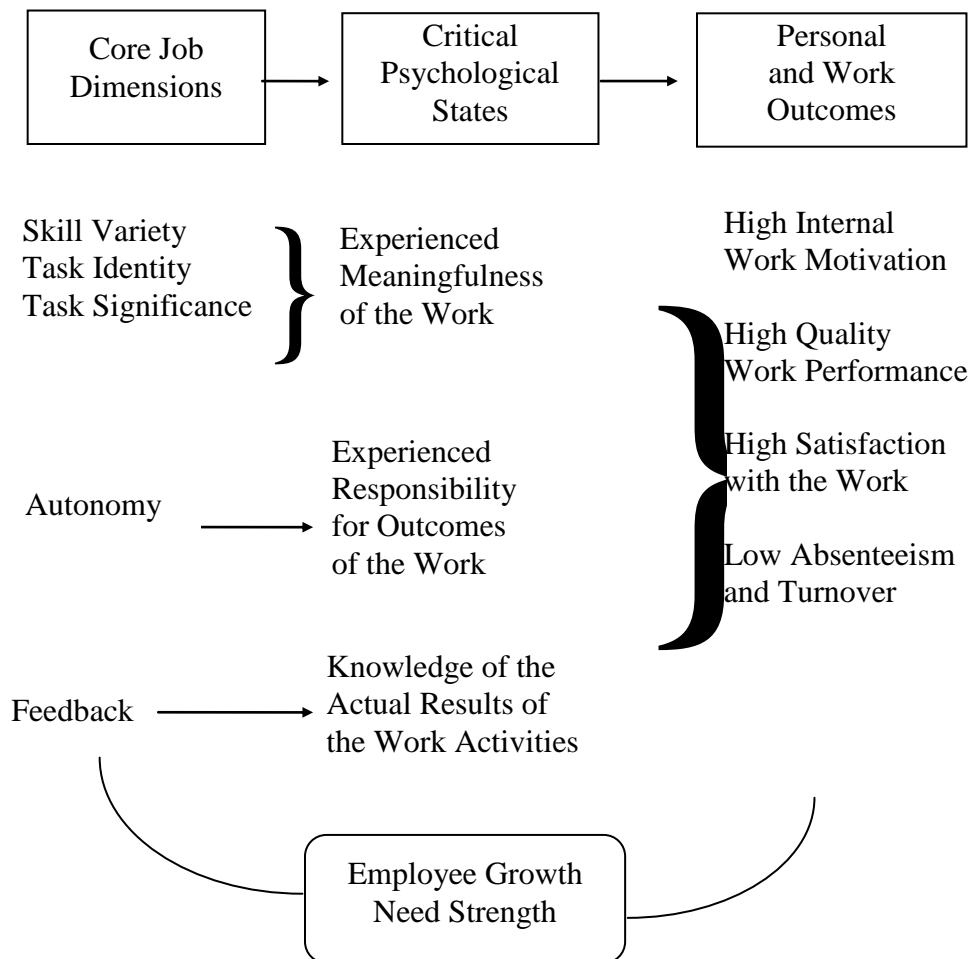
Avoidance reinforcement stops an undesirable reward when the desired behavior occurs. For example, if an employee continually shows up for work late and is berated by the manager, the employee may begin to show up on time to stop the manager’s nagging.

Punishment is the application of undesired consequences when specific behavior occurs. It is like positive reward in that it occurs when the behavior occurs, but the consequence is so unwanted by the employee that the employee avoids the behavior.

Hackman’s Job Design Theory

Hackman created this model to explain the job characteristics of work motivation:⁷

⁷ Hackman, J. R. and G. R. Oldham, (1976) “Motivation through the Design of Work: Test of a Theory.” Organizational Behavior and Human Performance. Vol 16 pp. 250-279



Five core job dimensions create three critical psychological states that, in turn, lead to a number of beneficial personal and work outcomes.

The five job dimensions as shown in the model are:

- *Skill variety*: the degree to which a job requires a variety of different activities that involve the use of a number of different skills and talents.
- *Task identity*: the degree to which the job requires completion of a whole and identifiable piece of work – that is, doing a job from beginning to end with a visible outcome.
- *Task significance*: the degree to which the job has a substantial impact on the lives or work of other people, whether in the immediate organization or in the external environment.
- *Autonomy*: the degree to which the job provides substantial freedom, independence, and discretion to the individual in scheduling the work and in determining the procedures to be used in carrying it out.

- *Feedback*: the knowledge of how well the results match the expectation. Information necessary for correction should also occur in feedback.

The psychological states as shown in the model are:

- *Experienced meaningfulness*: The person must experience the work as generally important, valuable, and worthwhile.
- *Experienced responsibility*: The individual must feel personally responsible and accountable for the results of the work he performs.
- *Knowledge of results*: The individual must have an understanding, on a fairly regular basis, of how effectively he is performing the job.

Hackman implies in his theory that the greatest gain comes when all three states are at their highest, but if any one state is at a low (zero-state) all the benefit from the other two is lost. Thus, the theory is said to be multiplicative rather than additive.

The value of this theory to managers lies in the understanding of how jobs must be changed to increase the value of each of the three states. Work redesign directly affects work behavior. Work redesign, in the long term, can result in organizations that re-humanize rather than dehumanize the people who work in them.

When changing jobs, consider:

- combining tasks to increase the breadth and totality of the job
- opening, or broadening, channels for feedback of work quality and acceptability to others inside and outside of the firm
- establishing client relationships
- giving more control of the work to the employee

Before changing the work environment, study the environment and seek input from employees to better understand their beliefs about the work itself. When changing the job environment, keep the focus on the work itself – do not let emotions and entitlement enter into the design. Prepare ahead for unexpected problems – think through several “what-if” scenarios. Finally, evaluate continuously to monitor results.

Person-Environment-Centered Theories

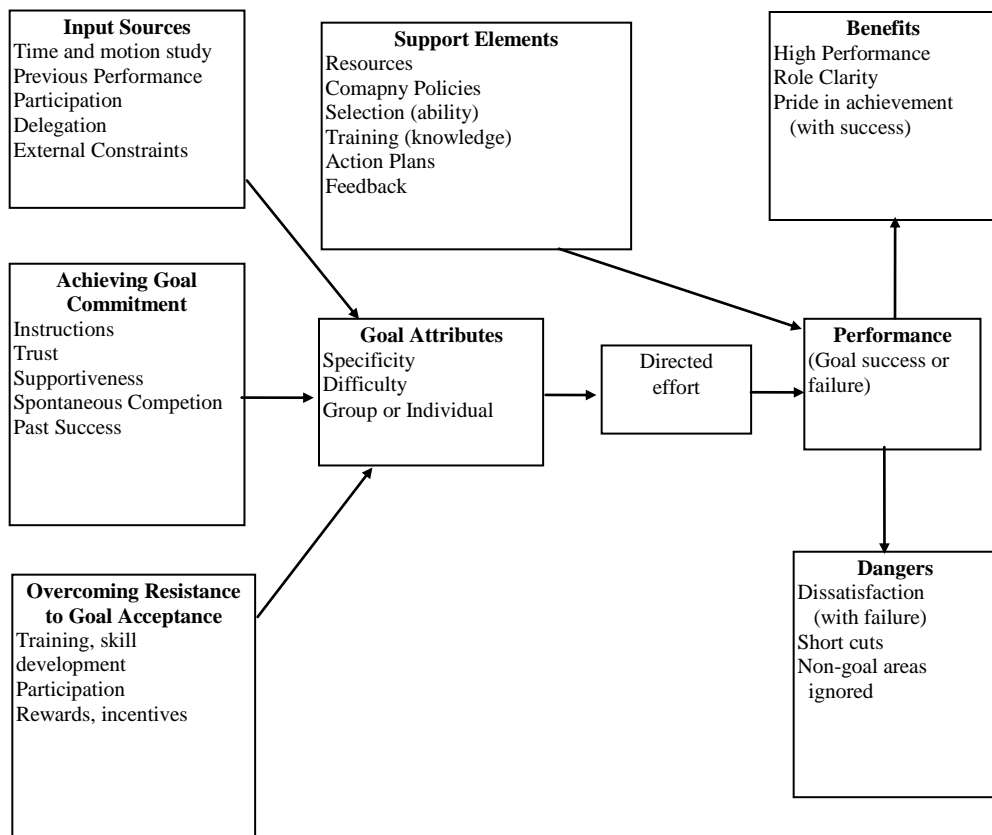
Person-environment-centered theories of motivation believe that it is not the person or the environment by itself which causes behavior, but rather, the interaction of the two.

Locke’s goal-setting

E. A. Locke developed a theory of task-behavior⁸ which resulted from goals set by the worker and the supervisor. Easy goals produced no marked improvement in behavior, while difficult goals resulted in withdrawal of the employee and a reduction in task-behavior. Moderate to moderately-difficult goals produced the greatest amount of task-behavior.

Input sources, goal commitment and overcoming resistance affected goal attributes. Input sources include: previous performance level, delegation, external constraints and organizational goals. Goal commitment includes: instructions, trust, supportiveness, and past success. Overcoming resistance includes participation, training, development, rewards and incentives.

Goals lead to directed effort which, moderated by support elements, leads to performance. Support elements include resources, company policies, selection, training and feedback. Performance leads to good or bad results which affect the next round of goals and behavior.



⁸ Locke, E. A. (1968) "Toward a theory of Task Motivation and Incentives" Organization Behavior and Human Performance May

Vroom’s Expectancy Theory

Vroom’s Expectancy Theory states that behavior is a result of: (1) the importance of a reward, (2) the extent that the behavior will result in the reward, and (3) the likelihood that the reward will materialize. People make conscious choices between alternative behaviors. These behaviors systematically relate to psychological processes, particularly perception and the formation of beliefs and attitudes.⁹

Vroom uses the terms valence, instrumentality and expectancy to describe his theory. Many people refer to his theory as the VIE Theory.

Valence refers to the attractiveness of a reward – how important the reward is to someone. It also refers to the level of satisfaction that an individual expects from a reward rather than the actual value derived.¹⁰

Vroom created his model in the form of a mathematical model to show that the force and valence of behavior is additive:

$$F_i = f \sum_{j=1}^n F_{ij} V_j \text{ and } V_j = f \sum_{k=1}^n I_{jk} V_k$$

Consider a salaried employee who, at Friday noon, reviews a large project. The employee could work late Friday night and all day Saturday completing the project. The employee knows that finishing the project by Monday could move them closer to a promotion. The employee is sincerely interested in the promotion because of the probable raise that comes with the promotion.

What will the employee do? You can not answer with certainty until you place some probabilities into the employee’s decision process. Consider that the employee believes:

- there is an eighty percent chance that working late Friday night and all day Saturday will complete the project
- there is a twenty percent chance that finishing the project will result in a promotion
- there is a 99 percent chance that gaining the promotion results in the raise

Now do you have a better idea? You should not! You still do not know the alternative behaviors available to the employee and his or her valences, instrumentalities and expectancies.

For example, the employee may have nothing planned for the weekend. Or, the employee may have made reservations at a resort for the family and they all looked forward to going on the trip. To fully use Vroom’s Expectancy Theory you must know the alternative behaviors which the employee could choose.

⁹ Pinder, Craig C., (1984) *Work Motivation*. Glenview, IL: Scott, Foresman quoted in Porter & Lawler (1991) *Motivation and Work Behavior*. p 144

¹⁰ Vroom, Victor H. (1964) *Work and Motivation*. New York: Wiley

Although few employees actually state the probabilities and calculate the mathematical support for behavior, most employees do this at a near-subconscious level. They “weigh” their options to determine which behavior emerges.

Vroom’s model did not take peer pressure and role conflict into account.

Fishbein’s Theory of Reasoned Action

Fishbein modified Vroom’s model to allow for the expectations of others. Consider the example above. If we added the family’s expectations, the employer’s expectations and peers’ expectations into the model, we might better predict the employee’s behavior.

The model uses an evaluation similar to Vroom’s Expectancy Theory whereby the individual will determine if the behavior will lead to worthwhile, or desired, outcomes and the value of the outcomes. The model allows for a quantification of this by summing the beliefs times the value of each outcome. This first quantitative result represents the individual’s weighted difference toward the behavior.

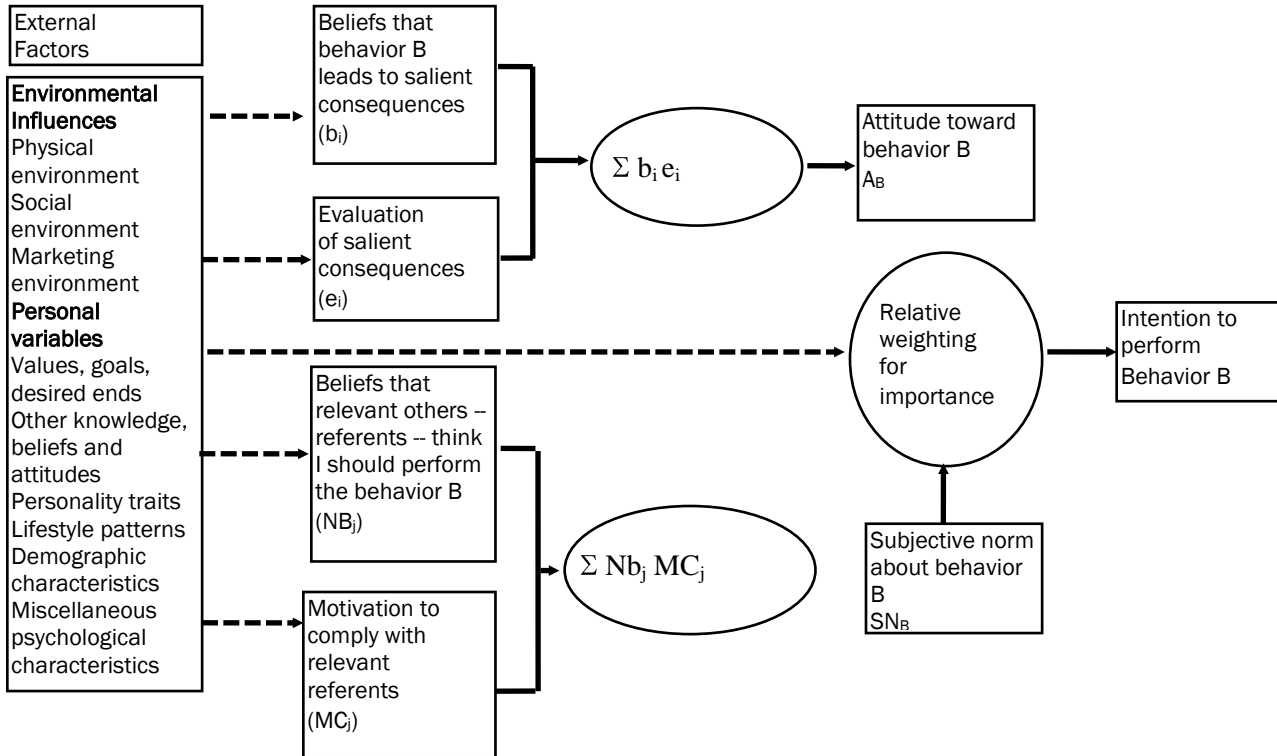
The model then includes an evaluation by the individual as to what various referent people, or groups of people, feel toward the individual performing the behavior. Role expectations, role conflicts and role ambiguity play a significant part in this model. Each individual has a sense of his or her intent to comply with what the referents desire. This may range from an absolute intent to comply to an absolute intent to rebel and not perform the behavior regardless of the outcome (hence the old adage of “cutting off your nose to spite your face”).

The second quantitative value is derived by summing all of the referent values times the motivation to comply. The summed value yields a measure of the pressure to perform the behavior, or what we call peer pressure.

The third quantitative measure is a product of multiplying the first two. The value derived is a relative weighted value of the importance of the behavior to the individual and the impact of referent pressure to comply.

The concern with the model is that no two people will weight a behavior the same or allocate a similar value to the beliefs of the referent group. This results in each individual having to self-report their quantitative scores. Another concern exists in that many people have a difficult time seeing a quantitative value to a qualitative process – an intent to perform a behavior. There have been dozens of studies conducted in which the model performed, thus the concern must not be taken too seriously. The intent of the model is to show a tendency or leaning of the individual to perform a behavior. There has not been much research done in the area of follow-up to determine actual performance of the behavior to the intent.¹¹

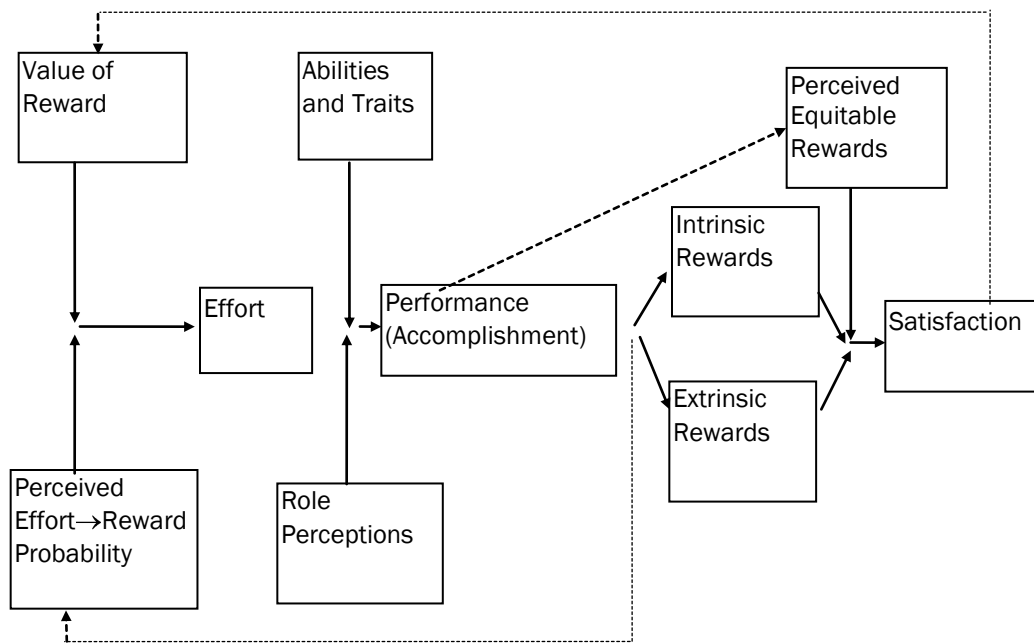
¹¹ Vallerand, Robert J.; Deshaies, Paul; Cuerrier, Jean Pierre; Pelletier, Luc G.; et al (1992), “Ajzen and Fishbein’s theory of reasoned action as applied to moral behavior: A confirmatory analysis,” *Journal of Personality and Social Psychology*, (62) (Jan), 98-109



Porter-Lawler's theory of motivation

Lyman Porter and Edward Lawler developed a model of motivation which ties in Vroom's Expectancy Theory, roles and traits, intrinsic and extrinsic rewards as well as satisfaction. Porter and Lawler suggest that employee effort is jointly determined by two key factors: the value placed on certain outcomes by the individual, and the degree to which the person believes that his effort will lead to the attainment of these rewards. However, the person's ability and role clarity may prevent performance, thus, managers must assign people to tasks where ability fits the requirements.

The Porter-Lawler model:¹²



Porter and Lawler use satisfaction in their model. Satisfaction raises several interesting thoughts regarding managers' motivation of employees. We define "satisfaction" as needs being met. Think about it, if needs are met, what is the purpose of behavior? The same holds true for "happy." Managers (and I am one of them) want to believe that happy, satisfied employees are the most productive. There is no reputable research which confirms this.

I recall many times that employees, reporting to me, were in states of great happiness or satisfaction (rarely caused by me, unfortunately) and they did not work during these states of euphoria. Rather, they shared thoughts, expressions and engaged in bonding-type behavior.

¹² Porter, L. W. and Edward Lawler, (1968) *Managerial Attitudes and Performance*. Homewood, IL: Dorsey Press

You can see this every year during the traditional “Christmas-time office party” day. Now, I have nothing against the Yuletide office celebrations (contrary to opinion), but rather, pose this as a thought-provoking idea for you. What does “satisfaction” cause? What does “happy” cause?

Since dissatisfaction causes behavior to achieve equilibrium, the issue is what type of dissatisfaction do you want to create in your employees and to what degree? Too much dissatisfaction causes employees to give up and quit.

Transformational leaders establish dissatisfaction with the status quo of the firm. Transformational leaders describe an institutional-state to which employees should aspire. Thus, employee performance behavior focuses on reaching the new organizational goal.

Adam’s equity theory

Equity theory states that employees alter their behavior based on their perception of the equity of outcomes of their behavior to the inputs in relationship to other’s outcomes and inputs. Equity exists when employees perceive their (their what?) matches others and inequity exists when employees perceive their (their what?) does not match others.

Adam’s research, and the research of others, showed that employees more willingly accept inequity when they perceive that their outcomes exceed that of others (not surprising). The equity model is best shown mathematically:

$$\text{Equity exists when : } \frac{O_p}{I_p} = \frac{O_o}{I_o}$$

$$\text{Inequity exists when either } \frac{O_p}{I_p} < \frac{O_o}{I_o} \text{ or } \frac{O_p}{I_p} > \frac{O_o}{I_o}$$

The major postulates of the theory can be summarized simply:¹³

1. Perceived inequity creates tension in the individual.
2. The amount of tension is proportional to the magnitude of the inequity.
3. The tension created in the individual will motivate him or her to reduce it.
4. The strength of the motivation to reduce inequity is proportional to the perceived inequity.

Equity theory, I believe, poses a dilemma to the Christian manager. Elsewhere in this text I refer to employee perception of fairness and justice.

Peter turned and saw that the disciple whom Jesus loved was following them. (This was the one who had leaned back against Jesus at the supper and had said, "Lord, who is going to betray you?") When Peter saw him, he asked, "Lord, what about him?"

¹³ Adams, J. S. (1965) “Inequity in Social Exchange” in L. Berlowitz (Ed.) Advances in Experimental Social Psychology Vol 2, New York: Academic Press pp. 267-299

Jesus answered, "If I want him to remain alive until I return, what is that to you? You must follow me." Because of this, the rumor spread among the brothers that this disciple would not die. But Jesus did not say that he would not die; he only said, "If I want him to remain alive until I return, what is that to you?"

John 21:20-23

Although I do not claim to be a Biblical scholar, this passage indicates that what a master (manager) does with one employee should be of no concern to others.

I add a note of caution here as well. Scripture supports the capitalistic view of outcomes and inputs (equity) by the scriptural admonition that more is given to him who already has. Scripture, also, supports the socialist view of "from each according to his ability, to each according to his need." Neither fits a concept of equity.

He replied, "I tell you that to everyone who has, more will be given, but as for the one who has nothing, even what he has will be taken away."

Luke 19:26

From everyone who has been given much, much will be demanded; and from the one who has been entrusted with much, much more will be asked.

Luke 12:48

Consider establishing a culture where employees are not concerned with what others receive, or are asked to do, but rather are concerned about how they interact with you.

Procedural Justice Theory

Adam's Equity Theory actually works in conjunction with the Procedural Justice theory. Procedural justice refers to the mechanism by which decisions affecting employees' outcomes are determined (refer back to equity theory). Employees perceive procedural justice as either just or unjust.

Procedural justice has three determinants:

1. The extent to which the decision maker exhibits neutrality.
2. The extent to which the intentions of the decision maker can be trusted.
3. The extent to which the decision maker shows respect for the rights of the parties to a decision.¹⁴

A 2 x 2 grid develops when we consider equitable and unequitable outcomes with just and unjust procedures.

¹⁴ Tyler, T. R. (1989) "The Psychology of Procedural Justice: A Test of the Group-value Model." Journal of Personality and Social Psychology, vol 57 pp. 830-838

	Just	Unjust
Equitable	<i>Acceptable</i>	<i>Tolerated by some</i>
Unequitable	<i>Tolerated</i>	<i>Unacceptable</i>

Employees tend to accept unequitable outcomes if the decision maker used just procedures. Research supports the notion that employees accept equitable outcomes when decision makers use unjust procedures.¹⁵ This grid and the research indicates that employees may view outcomes with “the ends justify the means” type of logic. Thus, managers should seek to use just procedures when dealing with employees.

Bandura’s Social Learning Theory

Albert Bandura and others, believing that behavior is a function of both personal and environmental factors, appeared in original formulations of the social psychology of Kurt Lewin and others. The cognitive (thinking) processes and environmental factors act as reciprocal determinants of behavior. This implies a dynamic systemic relationship of how people learn and how people choose behaviors. People learn from their environment, behave because of their environment, act on their environment to change it, and so on.

Social learning refers to the fact that we acquire much of our behavior by observing and imitating others within a social context. Social learning incorporates three important processes: (1) vicarious learning (modeling), (2) symbolism, and (3) self-control.

Comprehensive Model of Motivation

My model of motivation borders on violating the “simple” criteria of generalizable, accurate and simple criteria for models. Still, I think it brings together much of what the mainline writers on motivation emphasize and better shows the relationships of moderating and mediating variables. It also shows that managers must consider all aspects of motivation to truly understand employees’ behavior.

Refer to my model on the following page and look for elements from various motivation theories to? (why are they doing this?).

¹⁵ Greenberg, J. (1987) “Reactions to Procedural Injustice in Payment Distributions: Do the Means Justify the Ends?” Journal of Applied Psychology vol 72 pp. 55-61

