

Applied motivation practices

Lecture outline

1. Explain how money and other financial rewards affect our needs and emotions.
2. Discuss the advantages and disadvantages of the four types of rewards.
3. Identify four commonly applied team or organisational-level performance-based rewards.
4. Describe five ways to improve reward effectiveness.
5. Discuss the advantages and disadvantages of job specialisation.
6. Diagram the job characteristics model of job design.
7. Identify three strategies to enrich jobs.
8. Special issues in motivation
9. Describe the five elements of self-leadership.
10. Explain how mental imagery improves employee motivation.

Rewarding employees at IKEA

IKEA held a special bonus in which the Scandinavian home furnishings company pledged an entire day's sales revenue to employees. The day doubled previous sales records and awarded each employee \$2400.



The meaning of money



- Money and employee needs
 - affects several needs, not just existence needs
- Money and attitudes
 - money ethic – not evil, represents success, should be budgeted carefully
- Money and self-identity
 - influences our self-perceptions
 - evidence that men identify with money more than women

Types of workplace rewards



- Membership and seniority
- Job status
- Competencies
- Performance

Membership/seniority-based rewards

- Fixed wages, seniority increases
- Advantages
 - guaranteed wages may attract job applicants
 - seniority-based rewards reduce turnover
- Disadvantages
 - don't motivate job performance
 - discourage poor performers from leaving
 - may act as golden handcuffs

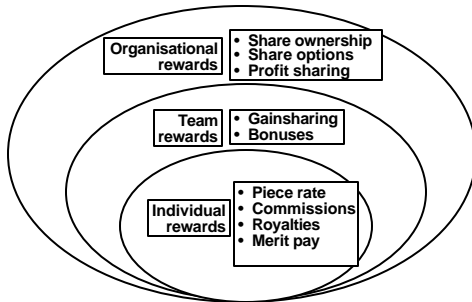
Job status-based rewards

- Include job evaluation and status perks
- Advantages
 - job evaluation tries to maintain pay equity
 - motivate competition for promotions
- Disadvantages
 - employees exaggerate duties, hoard resources
 - create psychological distance across hierarchy
 - inconsistent with flatter organisations

Competency-based rewards

- Pay increases with competencies acquired or demonstrated
- Skill-based pay
 - pay increases with skill modules learned
- Advantages
 - more flexible work force, better quality, consistent with employability
- Disadvantages
 - potentially subjective, higher training costs

Performance-based rewards



Team and organisational rewards

- Gainsharing plans
 - based on cost reductions and increased labour efficiency
- ESOPs
 - employees own company shares
- Share options
 - right to purchase company shares at a future date at a predetermined price
- Profit sharing
 - employees receive share of profits

Performance reward problems

- Shift attention away from motivation of job itself to extrinsic rewards
- Create a psychological distance with reward giver
- Discourage risk taking
- Used as quick fixes

Improving reward effectiveness



- Link rewards to performance
- Ensure rewards are relevant
- Use team rewards for interdependent jobs
- Ensure rewards are valued
- Beware of unintended consequences

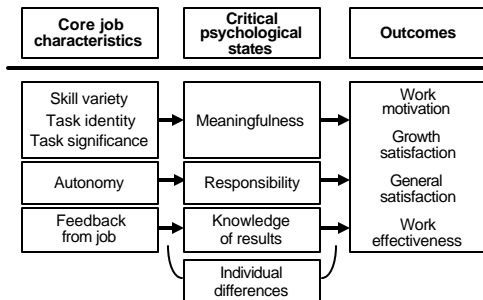
Job design

- Assigning tasks to a job, including the interdependency of those tasks with other jobs
- Technology influences, but does not determine, job design
- Employability affects job design

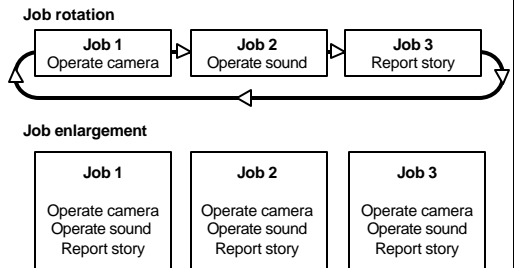
Evaluating job specialisation

Advantages	Disadvantages
<ul style="list-style-type: none"> • Less time changing tasks • Lower training costs • Job mastered quickly • Better person-job matching 	<ul style="list-style-type: none"> • Job boredom • Discontentment pay • Lower quality • Lower motivation

Job characteristics model



Job rotation vs job enlargement

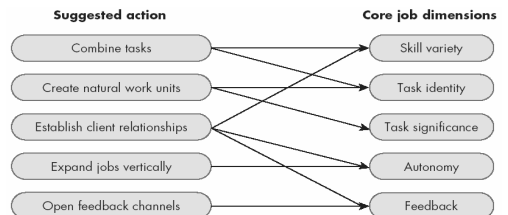


Job enrichment in wine making

Mike Just has an enriched job as wine maker at Lawson's Dry Hills Winery near Blenheim, NZ. '[W]e plant vines here, we pick them, we make the wine on site and bottle it, then sell it to customers who come in', explains Just, who also enjoys jousting.



Guidelines for enriching a job



Source: J. R. Hackman and J. L. Suttle, eds., *Improving Life at Work* (Glenview, IL: Scott, Foresman, 1977), p. 138.

Obstacles to job design

- Difficult to accurately measure job characteristics
- Resistance to change
 - skilled workers
 - labour union leaders
 - supervisors
- Problem finding optimal level of enrichment and specialisation

Special Issues in Motivation

- Motivating Professionals
 - **Provide challenging projects.**
 - **Allow them the autonomy to be productive.**
 - **Reward with educational opportunities.**
 - **Reward with recognition.**
 - **Express interest in what they are doing.**
 - **Create alternative career paths.**

Special Issues in Motivation (cont'd)

- Motivating Contingent Workers
 - **Provide opportunity for permanent status.**
 - **Provide opportunities for training.**
 - **Provide equitable pay.**

Special Issues in Motivation (cont'd)

- Motivating the Diversified Workforce
 - **Provide flexible work, leave, and pay schedules.**
 - **Provide child and elder care benefits.**
 - **Structure working relationships to account for cultural differences and similarities..**

Special Issues in Motivation (cont'd)

- Motivating Low-Skilled Service Workers
 - **Recruit widely.**
 - **Increase pay and benefits.**
 - **Make jobs more appealing.**

Special Issues in Motivation (cont'd)

- Motivating People Doing Highly Repetitive Tasks
 - **Recruit and select employees that fit the job.**
 - **Create a pleasant work environment.**
 - **Mechanise the most distasteful aspects of the job.**

Self-leadership

- The process of influencing oneself to establish the self-direction and self-motivation needed to perform a task
- Includes concepts/practices from
 - goal setting
 - social learning theory
 - sports psychology

Elements of self-leadership



- Personal goal setting
 - employees set their own goals
 - apply effective goal setting practices

Elements of self-leadership



- Positive self-talk
 - talking to ourselves about thoughts/actions
 - potentially increases self-efficacy
- Mental imagery
 - mentally practising a task
 - visualising successful task completion

Elements of self-leadership



- Finding ways to make the job more motivating
 - eg altering the way the task is accomplished

Elements of self-leadership



- Keeping track of your progress towards the self-set goal
 - looking for naturally-occurring feedback
 - designing artificial feedback

Elements of self-leadership



- 'Taking' a reinforcer only after completing a self-set goal
 - eg watching a movie after writing two more sections of a report
 - eg starting a fun task after completing a task that you don't like

Mid-Semester Exam Questions

- Please note that several multi-choice questions will be reviewed in class, some of which will appear in mid-semester exam