This is "Understand Your Motivations", chapter 6 from the book Beginning Human Relations (index.html) (v. 1.0).

Chapter 6

Understand Your Motivations

A champion needs a motivation above and beyond winning.

  - Pat Riley

Ability is what you're capable of doing. Motivation determines what you do. Attitude determines how well you do it.

  - Raymond Chandler

Brenden decided to go to college with one goal in mind: to get a job where he could make lots of money. His hope was that the job would allow him to live in a large house, drive a nice car, and take two nice vacations per year. Once he graduated, he accepted a sales job that afforded him these things.

About two years into his job, he realized that while he was making a lot of money, he didn't really like his job. It required a lot of travel and working with unhappy clients. Brenden then decided to create a list of the most important things to him in a job. The first on the list was the fact he would feel good about his contributions to society. The second on the list was his ability to pay his bills with a little money left over to save. The third most important thing on the list was that he would be home during the week so he could spend more time with his family.

The more Brenden looked at his "wish" list, he realized what he wanted wasn't lots of money, as he had thought. Other things, as he grew in his career, were far more important to him.

Brenden's situation is common. Often, people think they are motivated by money, but when they step back, they realize that money is just one part of a person's overall satisfaction at work. For years, managers have tried to motivate people based on money, but research has shown this can only be effective to an extent. Other things, such as flexible schedules or more vacation time, can motivate people more than a pay raise. This is the topic of our chapter, human motivation and

developing an understanding of what motivates you. Knowing what motivates you as you select a career path can help you be a successful, happy employee later on.

6.1 Human Motivation at Work

1. Be able to discuss why you or others may not be satisfied at work.
2. Be able to explain how the human motivation theories apply to you.

Theories on Job Dissatisfaction

There are a number of theories that attempt to describe what makes a satisfied employee versus an unsatisfied employee. Knowing what motivates us—and what doesn't—is the key to choosing the right career path. It may be surprising, but much of what makes us satisfied or unsatisfied at work has little to do with money. We will discuss some of these theories next.

Progression of Job Withdrawal

Have you ever felt unhappy at a job? If you have, consider how you went through the process of being unhappy—because for most of us, we start out happy but then gradually become unhappy. One of the basic theories is the progression of job withdrawal theory, developed by Dan Farrell and James Petersen.Dan Farrell and James C. Petersen, "Commitment, Absenteeism and Turnover of New Employees: A Longitudinal Study," *Human Relations* 37, no. 8 (August 1984): 681–92, accessed August 26, 2011, http://libres.uncg.edu/ir/uncg/f/ J_Petersen_Commitment_1984.pdf. It says that people develop a set of behaviors in order to avoid their work situation. These behaviors include behavior change, physical withdrawal, and psychological withdrawal.

Within the behavior change area, an employee will first try to change the situation that is causing the dissatisfaction. For example, if the employee is unhappy with the management style, he or she might consider asking for a department move. In the physical withdrawal phase, the employee does one of the following:
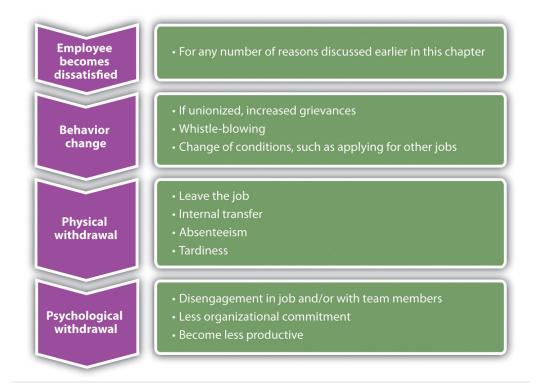
- Leaves the job
- Takes an internal transfer
- Starts to become absent or tardy

If an employee is unable to leave the job situation, he or she will experience psychological withdrawal. They will become disengaged and may show less job

involvement and commitment to the organization, which can create large costs to the organization, such as dissatisfied customers, not to mention the cost to employee and his or her unhappiness in the job.

Often, our process of job withdrawal has to do with our lack of motivation, which we will discuss in the next section.

Figure 6.1   *Process of Job Withdrawal*

Theories on Human Motivation
Hawthorne Studies

Between 1927 and 1932, a series of experiments were conducted by Elton Mayo in the Western Electric Hawthorne Works company in Illinois.Elton Mayo, *The Social Problems of an Industrial Civilization* (1949; repr., New York: Arno Press, 2007). Mayo developed these experiments to see how the physical and environmental factors of the workplace, such as lighting and break times, would affect employee motivation.

This was some of the first research performed that looked at human motivation at work. His results were surprising, as he found that no matter which experiments were performed, worker output improved. His conclusion and explanation for this was the simple fact the workers were happy to receive attention from researchers

who expressed interest in them. As a result, these experiments, scheduled to last one year, extended to five years to increase the knowledge base about human motivation.

The implication of this research applies to us as employees, even today. It tells us that our supervisors and managers should try to do things that make us feel valued. If not, we need to find ways to feel we add value to the organization.

Maslow's Hierarchy of Needs

In 1943, Abraham Maslow developed what was known as the theory of human motivation.Abraham Maslow, *Toward a Psychology of Being*, 3rd ed. (New York: Wiley, 1999). His theory was developed in an attempt to explain human motivation. According to Maslow, there is a hierarchy of five needs, and as one level of need is satisfied, it will no longer be a motivator. In other words, people start at the bottom of the hierarchy and work their way up. Maslow's hierarchy consists of the following:

- Self-actualization needs
- Esteem needs
- Social needs
- Safety needs
- Physiological needs

Physiological needs are our most basic needs, including food, water, and shelter. Safety needs at work might include feeling safe in the actual physical environment or job security. As humans, we have the basic need to spend time with others. Esteem needs refer to the need we have to feel good about ourselves. Finally, self-actualization needs are the needs we have to better ourselves.

The implications of his research tell us, for example, that as long as our physiological needs are met, increased pay may not be a motivator. Needs might include, for example, fair pay, safety standards at work, opportunities to socialize, compliments to help raise our esteem, and training opportunities to further develop ourselves.

Maslow Explained

(click to see video)

This video explains Maslow's hierarchy in detail. After reviewing the video, which of Maslow's needs are you currently focused upon?

Herzberg Two-Factor Theory

In 1959, Frederick Herzberg published *The Motivation to Work*,Frederick Herzberg, Bernard Mausner, and Barbara Bloch Snyderman, *The Motivation to Work* (New Brunswick, NJ: Transaction Publishers, 1993). which described his studies to determine which aspects in a work environment caused satisfaction or dissatisfaction. He performed interviews in which employees were asked what pleased and displeased them about their work. From his research, he developed the motivation-hygiene theory to explain these results.

The things that satisfied the employees were motivators, while the dissatisfiers were the hygiene factors. He further said the hygiene factors were not necessarily motivators, but if not present in the work environment, they would actually cause demotivation. In other words, the hygiene factors are expected and assumed, while they may not necessarily motivate.

His research showed the following as the top six **motivation factors**[1]:

1. Achievement
2. Recognition
3. The work itself
4. Responsibility
5. Advancement
6. Growth

The following were the top six **hygiene factors**[2]:

1. Company policies
2. Supervision
3. Relationship with manager
4. Work conditions
5. Salary
6. Relationship with peers

The implication of this research is clear. Salary, for example, is on the hygiene factor list. Fair pay is expected, but it doesn't actually motivate us to do a better job. On the other hand, programs to further develop us as employees, such as management training programs, would be considered a motivator. Therefore, the

1. Part of a theory developed by Herzberg that says some things will motivate an employee, such as being given responsibility.

2. Part of a theory developed by Herzberg that says some things will not necessarily motivate employees but will cause dissatisfaction if not present.

actual motivators tend to be the work and recognition surrounding the work performed.

McGregor

Douglas McGregor proposed the X-Y theory in his 1960 book called *The Human Side of Enterprise*.Douglas McGregor, *The Human Side of Enterprise* (1960; repr., New York: McGraw-Hill, 2006). McGregor's theory gives us a starting point to understanding how management style can impact the retention of employees. His theory suggests two fundamental approaches to managing people. **Theory X managers**[3], who have an authoritarian management style, have the following fundamental management beliefs:

- The average person dislikes work and will avoid it.
- Most people need to be threatened with punishment to work toward company goals.
- The average person needs to be directed.
- Most workers will avoid responsibility.

Theory Y managers[4], on the other hand, have the following beliefs:

- Most people want to make an effort at work.
- People will apply self-control and self-direction in pursuit of company objectives.
- Commitment to objectives is a function of expected rewards received.
- People usually accept and actually welcome responsibility.
- Most workers will use imagination and ingenuity in solving company problems.

As you can see, these two belief systems have a large variance, and managers who manage under the X theory may have a more difficult time retaining workers.

Carrot and Stick

3. According to McGregor, a type of manager who has a negative approach to employee motivation.

4. According to McGregor, a type of manager who has a positive approach to employee motivation.

It is unknown for sure where this term was first used, although some believe it was coined in the 1700s during the Seven Years' War. In business today, the stick approach refers to "poking and prodding" to get employees to do something. The carrot approach refers to the offering of some reward or incentive to motivate employees. Many companies use the stick approach, as in the following examples:

- If you don't increase your sales by 10 percent, you will be fired.

- Everyone will have to take a pay cut if we don't produce 15 percent more than we are currently producing.

As you can imagine, the stick approach does little to motivate us in the long term! While it may work for some time, constant threats and prodding do not motivate.

The carrot approach might include the following:

- If you increase sales by 10 percent, you will receive a bonus.
- If production increases by 15 percent, the entire team will receive an extra day off next month.

Figure 6.2

The carrot approach takes a much more positive approach to employee motivation but still may not be effective. For example, this approach can actually demotivate employees if they do not feel the goal is achievable. Has this ever happened to you at work? Some reward was offered, but you knew it wasn't really achievable? If so, you know how this can actually be demotivating! Also, if organizations use this as the only motivational technique, ignoring physiological rewards such as career growth, this could be a detriment as well.

All the employee satisfaction theories we have discussed have implications for our own understanding of what motivates us at work.

The carrot approach normally means some incentive will occur if expectations are met. The expectations should be attainable and shouldn't be the only method used in retention planning and turnover reduction.

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Why Human Relations?

Do you know why you do the things you do? **The emotional intelligence skill of self-awareness is the key to understanding your own motivations.** It isn't until we understand our own emotions that we can begin to understand what we need to do to motivate ourselves personally and professionally.

Of course, the more motivated we are, the more likely we are to experience career success. Most, if not all, managers want to hire and promote people who show extensive motivation in their job. This is impossible to do if we do not first identify what actually motivates us as individuals. If you are motivated by intrinsic rewards, such as feeling good about your job, you are more likely to be better at your job because you enjoy it! Not only will we be better at our job if we like it, but it is highly likely we will be happier. **When we are happier we tend to show better human relations skills**, and this happiness can come in part from understanding our own motivations and making sure we choose a career path that matches with our motivations.

Why Does Motivation Matter?

This section gave you some ideas on the process people go through when they are not satisfied at work. In addition, we discussed motivation and the various motivational theories that can help us understand our own motivations. But why is this important? As you saw in the opening story, if we understand our own motivations, we can better choose a career path that will make us happy. Also, keep in mind that your motivations may change over time. For example, as a college student your motivation may lie in the ability to make money, but after working for a few years, your motivation may change to look at more flexibility in your job. It is important to keep your motivations, needs, and wants in check, because what you want today will change over time. Consider the recent twenty-two-year-old college graduate. What his priorities are today will change as his life changes; for example, meeting a significant other and maybe raising a family can make his priorities change when he is thirty-two. To continually understand our motivations, it is important to keep track, perhaps on a yearly basis, of what our priorities are. This can help us make the right career choices later on.

KEY TAKEAWAYS

- The theory of job withdrawal explains the process someone goes through when they are not motivated, or happy, at work.
- There are many motivation theories that attempt to explain people's motivation or lack of motivation at work.
- The Hawthorne studies were a series of studies beginning in 1927 that initially looked at physical environments but found that people tended to be more motivated when they felt cared about. The implications to retention are clear, in that employees should feel cared about and developed within the organization.
- Maslow's theory on motivation says that if someone already has a need met, giving them something to meet more of that need will no longer motivate. Maslow divided the needs into physiological, safety, social, esteem, and self-actualization needs. Many companies only motivate based on the low-level needs, such as pay. Development of training opportunities, for example, can motivate employees on high-level self-actualization needs.
- Herzberg developed motivational theories based on actual motivation factors and hygiene factors. Hygiene factors are those things that are expected in the workplace and will demotivate employees when absent but will not actually motivate when present. If managers try to motivate only on the basis of hygiene factors, turnover can be high. Motivation on both of his factors is key to a good retention plan.
- McGregor's theory on motivation looked at managers' attitudes toward employees. He found that theory X managers had more of a negative view of employees, while theory Y managers had a more positive view. Providing training to the managers in our organization can be a key retention strategy based on McGregor's theory.
- The carrot-and-stick approach means you can get someone to do something by prodding or by offering some incentive to motivate them to do the work. This theory implies these are the only two methods to motivate, which, of course, we know isn't true. The implication of this in our retention plan is such that we must utilize a variety of methods to retain employees.
- Finally, understanding our own motivations at work is an important step to making sure we choose the right career path.

EXERCISES

1. What types of things will motivate you in your career? Name at least five things. Where would these fit on Maslow's hierarchy of needs and Herzberg's two-factor theory?
2. Have you ever been unhappy at a job? Or if you haven't worked, have you ever felt unhappy in a specific team or group? Consider this experience and write about how you went through each phase of the job withdrawal progress.

6.2 Strategies Used to Increase Motivation

LEARNING OBJECTIVE

1. Explain the strategies companies use to try to retain employees.

As we have addressed so far in this chapter, human motivation is an important aspect to understanding what makes us happy or unhappy at our jobs. Companies implement many strategies to keep us motivated at work. This section will discuss some of those specific strategies.

Salaries and Benefits

As we know from our earlier section, our paycheck can be a motivator to a certain extent. It is important to note that when we look at compensation, it is much more than only pay but things such as health benefits and paid time off.

Some of the considerations companies use surrounding pay can include the following:

1. **Instituting a standard process.** Many organizations do not have set pay plans, which can result in unfairness when onboarding (the process of bringing someone "on board" with the company, including discussion and negotiation of compensation) or offering pay increases. Companies should make sure the process for receiving pay raises is fair and defensible, so as not to appear to be discriminatory.
2. **A pay communication strategy.** Many companies work hard to make sure the fair pay process is communicated to employees. Transparency in the process of how raises are given and then communicated can help companies retain good employees."The Knowledge of Pay Study," WorldatWork and The LeBlanc Group LLC, 2010, accessed February 26, 2011, http://www.worldatwork.org/waw/Content/research/html/research-home.jsp.
3. **Paid time off (PTO).** Companies pay us not only with our salary but also from the time off we receive. Paid holidays and vacation time might be an example.

Training and Development

To meet our higher-level needs, we need to experience self-growth. As a result, many companies and managers offer training programs within the organization and pay for employees to attend career skill seminars and programs. It is a great idea to take advantage of these types of self-growth opportunities in your current or future organization. In addition, many companies offer tuition reimbursement programs to help you earn a degree. Dick's Drive-In, a local fast food restaurant in Seattle, Washington, offers $18,000 in scholarships over four years to employees working twenty hours per week. There is a six-month waiting period, and the employee must continue to work twenty hours per week. In a high turnover industry, Dick's Drive-In boasts one of the highest employee retention rates around.

Performance Appraisals

The **performance appraisal**[5] is a formalized process to assess how well an employee does his or her job. The effectiveness of this process can contribute to employee retention, in that we can gain constructive feedback on our job performance, and it can be an opportunity for the manager to work with the us to set goals within the organization. This process can help ensure our upper-level self-actualization needs are met, but it also can address some of the motivational factors discussed by Herzberg, such as achievement, recognition, and responsibility.

Succession Planning

Succession planning[6] is a process of identifying and developing internal people who have the potential for filling positions. As we know, many people leave organizations because they do not see career growth or potential. Companies can combat this by having a clear career path for us to follow. For example, perhaps you start as a sales associate, become assistant manager, and then become manager. Proper succession planning shows what we must accomplish at each level in order to attain a higher-level position. This type of clear career path can help with our motivation at work. If your current or future organization does not have a succession plan, consider speaking with your manager about your own career path and potential. The performance appraisal process might be a good time to have this discussion.

5. A method by which job performance is measured.

6. A process for identifying and developing internal people who have the potential to fill positions.

Examples of Retention Strategies at Michels Corporation

(click to see video)

This video addresses some "real world" retention strategies used at Michels Corporation, a utility contractor services company.

Flextime, Telecommuting, and Sabbaticals

According to a Salary.com survey, the ability to work from home and flexible work schedules are benefits that would entice us to stay in our job."Employee Job Satisfaction and Retention Survey, 2007/2008," Salary.com, 2008, accessed February 26, 2011, http://www.salary.com/docs/resources/JobSatSurvey_08.pdf. The ability to implement this type of retention strategy might be difficult, depending on the type of business. For example, a retailer may not be able to implement this, since the sales associate must be in the store to assist customers. However, for many professions, it is a viable option, worth including in the retention plan and part of work-life balance.

Some companies, such as Recreational Equipment Incorporated, based in Seattle, offer twelve weeks of unpaid leave per year (beyond the twelve weeks required under the Family and Medical Leave Act) for the employee to pursue volunteering or traveling opportunities. In addition, with fifteen years of service with the company, paid sabbaticals are offered, which include four weeks plus already earned vacation time.

Management Training

In a recent Gallup poll of one million workers, a poor supervisor or manager is the number one reason why people leave their jobs."No. 1 Reason People Quit Their Jobs," AOL News, Netscape, accessed July 28, 2011, http://webcenters.netscape.compuserve.com/whatsnew/package.jsp?name=fte/quitjobs/quitjobs&floc=wn-dx. Managers who bully, use the theory X approach, communicate poorly, or are incompetent may find it difficult to motivate employees to stay within the organization. While, as employees, we cannot control a manager's behavior, companies can provide training to create better management. Training of managers to be better communicators and motivators is a way to handle this retention issue.

Conflict Management and Fairness

Perceptions on fairness and how organizations handle conflict can be a contributing factor to our motivation at work. **Outcome fairness**[7] refers to the judgment that we make with respect to the outcomes we receive versus the outcomes received by others with whom we associate with. When we are deciding if something is fair, we will likely look at **procedural justice**[8], or the process used to determine the outcomes received. There are six main areas we use to determine the outcome fairness of a conflict:

7. The judgment that people make with respect to the outcomes they receive versus the outcomes received by others with whom they associate.

8. The process used to determine the outcomes received.

1. **Consistency.** We will determine if the procedures are applied consistently to other persons and throughout periods of time.
2. **Bias suppression.** We perceive the person making the decision does not have bias or vested interest in the outcome.
3. **Information accuracy.** The decision made is based on correct information.
4. **Correctability.** The decision is able to be appealed and mistakes in the decision process can be corrected.
5. **Representativeness.** We feel the concerns of all stakeholders involved have been taken into account.
6. **Ethicality.** The decision is in line with moral societal standards.

For example, let's suppose JoAnn just received a bonus and recognition at the company party for her contributions to an important company project. However, you might compare your inputs and outputs and determine it was unfair that JoAnn was recognized because you had worked on bigger projects and not received the same recognition or bonus. As you know from the last section, this type of unfairness can result in being unmotivated at work. Excellent communication with your manager when dealing with these types of situations would be imperative.

Job Design, Job Enlargement, and Empowerment

As we have discussed previously, one of the reasons for job dissatisfaction is the job itself. Ensuring our skills set and what we enjoy doing matches with the job is important. Some companies will use a change in job design, enlarge the job or empower employees to motivate them.

Job enrichment[9] means to enhance a job by adding more meaningful tasks to make our work more rewarding. For example, if we as retail salespersons are good at creating eye-catching displays, allowing us to practice these skills and assignment of tasks around this could be considered job enrichment. Job enrichment can fulfill our higher level of human needs while creating job satisfaction at the same time. In fact, research in this area by Richard Hackman and Greg OldhamRobert N. Ford, *Motivation through the Work Itself* (New York: American Management Association, 1969); William J. Paul, Keith B. Robertson, and Frederick Herzberg, "Job Enrichment Pays Off," *Harvard Business Review*, March–April 1969, 61–78. found that we, as employees, need the following to achieve job satisfaction:

- Skill variety, or many different activities as part of the job
- Task identity, or being able to complete one task from beginning to end

9. Adding more meaningful tasks to enhance a job and make the employee's work more rewarding.

- Task significance, or the degree to which the job has impact on others, internally or externally
- Autonomy, or freedom to make decisions within the job
- Feedback, or clear information about performance

In addition, **job enlargement**[10], defined as the adding of new challenges or responsibilities to a current job, can create job satisfaction. Assigning us to a special project or task is an example of job enlargement.

Employee empowerment[11] involves management allowing us to make decisions and act upon those decisions, with the support of the organization. When we are not micromanaged and have the power to determine the sequence of our own work day, we tend to be more satisfied than those employees who are not empowered. Empowerment can include the following:

- Encourage innovation or new ways of doing things.
- Make sure we, as employees, have the information we need to do our jobs; for example, we are not dependent on managers for information in decision making.
- Management styles that allow for participation, feedback, and ideas from employees.

Pay-for-Performance Strategies

Some organizations have a pay-for-performance strategy, which means that we are rewarded for meeting preset objectives within the organization. For example, in a merit-based pay system, we might be rewarded for meeting or exceeding performance during a given time period. Rather than a set pay increase every year, the increase is based on performance. Some organizations offer bonuses to employees for meeting objectives, while some organizations offer team incentive pay if a team achieves a specific, predetermined outcome. For example, each player on the winning team of the 2010 NFL Super Bowl earned a team bonus of $83,000,Darren Rovell, "How Much Do Players Get Paid for Winning the Super Bowl?" CNBC Sports, January 18, 2011, accessed July 29, 2011, http://www.cnbc.com/id/41138354/ How_Much_Do_Players_Get_Paid_For_Winning_the_Super_Bowl. while the losing team of the Super Bowl took home $42,000. Players also earn money for each wild card game and playoff game. Some organizations also offer profit sharing, which is tied to a company's overall performance. Gain sharing, different from profit sharing, focuses on improvement of productivity within the organization. For example, the city of Loveland in Colorado implemented a gain-sharing program that defined three criteria that needed to be met for employees to be given extra

10. Adding new challenges or responsibilities to a current job.

11. A way to involve employees in their work by allowing them to make decisions and act upon those decisions, with the support of the organization.

compensation. The city revenues had to exceed expenses, expenses had to be equal to or less than the previous year's expenses, and a citizen satisfaction survey had to meet minimum requirements.

As we have already addressed, pay isn't everything, but it certainly can be an important part of feeling motivated in our jobs.

Executive Pay for Performance

<u>(click to see video)</u>

David Swinford, CEO of Pearl Meyer & Partners, discusses executive pay for performance.

Other ways to motivate

According to *Fortune*'s "100 Best Companies to Work For,""100 Best Companies to Work For," CNN Money, 2011, accessed February 26, 2011, http://money.cnn.com/galleries/2011/news/companies/1101/gallery.bestcompanies_unusual_perks.fortune/5.html. things that companies do to motivate us may be more unusual. For example, the list includes the following:

Figure 6.3

Some companies offer unique benefits to reduce turnover. An on-site yoga class is an example of a unique, although expensive, benefit to consider including in a retention plan.

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- On-site daycare or daycare assistance
- Gym memberships or on-site gyms
- Concierge service to assist in party planning or dog grooming, for example
- On-site dry cleaning drop-off and pickup
- Car care, such as oil changes, on-site once a week
- On-site doggie daycare
- On-site yoga or other fitness classes
- "Summer Fridays," when all employees work half days on Fridays during the summer
- Various support groups for cancer survivors, weight loss, or support in caring for aging parents
- On-site life coaches
- Peer-to-peer employee recognition programs
- Management recognition programs

While some of these options may not be options in the companies we work for, the important thing to remember is often our own motivation comes from us internally. As a result, we need to be aware of our changing motivations and ask for those things that could make us more motivated at work.

KEY TAKEAWAYS

- Salary and benefits are a major component of what employers do to motivate us. Consistent pay systems and transparent processes are important considerations.
- Many companies offer paid tuition programs, reimbursement programs, and in-house training to increase our skills and knowledge.
- *Performance appraisals* provide an avenue for feedback and goal setting. They also allow for us to be recognized for our contributions.
- *Succession plans* allow us, as employees, the ability to see how we can continue our career with the organization, and they clearly detail what we need to do to achieve career growth.
- Flextime and telecommuting are options some companies use as motivators. These types of plans allow us flexibility when developing our schedule and some control of our work. Some companies also offer paid or unpaid sabbaticals to pursue personal interests after a certain number of years with the company.
- Since one of the reasons people are dissatisfied at their job is because of the relationship with their manager, many companies require management training and communication training to ensure managers are able to establish good relationships with employees.
- Some companies may change the job through *empowerment* or *job enlargement* to help grow our skills.
- Other, more unique ways companies try to retain employees might include offering services to make the employee's life easier, such as dry cleaning, daycare services, or on-site yoga classes.

EXERCISE

1. Research two different companies you might be interested in working for. When reviewing their list of benefits, which ones are offered that might motivate you to stay with the organization?

6.3 Chapter Summary and Case

CHAPTER SUMMARY

- The theory of job withdrawal explains the process someone goes through when they are not motivated or happy at work.
- There are many motivation theories that attempt to explain people's motivation or lack of motivation at work.
- The Hawthorne studies were a series of studies beginning in 1927 that initially looked at physical environments but found that people tended to be more motivated when they felt cared about. The implications to retention are clear, in that employees should feel cared about and developed within the organization.
- Maslow's theory on motivation says that if someone already has a need met, giving them something to meet more of that need will no longer motivate. Maslow divided the needs into physiological, safety, social, esteem, and self-actualization needs. Many companies only motivate based on the low-level needs, such as pay. Development of training opportunities, for example, can motivate employees on high-level self-actualization needs.
- Herzberg developed motivational theories based on actual motivation factors and hygiene factors. Hygiene factors are those things that are expected in the workplace and will demotivate employees when absent but will not actually motivate when present. If managers try to motivate only on the basis of hygiene factors, turnover can be high. Motivation on both of his factors is key to a good retention plan.
- McGregor's theory on motivation looked at managers' attitudes toward employees. He found that theory X managers had more of a negative view of employees, while theory Y managers had a more positive view. Providing training to the managers in our organization can be a key retention strategy based on McGregor's theory.
- The carrot-and-stick approach means you can get someone to do something by prodding or by offering some incentive to motivate them to do the work. This theory implies these are the only two methods to motivate, which of course, we know isn't true. The implication of this in our retention plan is such that we must utilize a variety of methods to retain employees.
- Finally, understanding our own motivations at work is an important step to making sure we choose the right career path.
- Salary and benefits are a major component of what employees do to motivate us. Consistent pay systems and transparent processes as to how raises occur should be clearly communicated.
- Training and development meets the higher-level needs of the individual. Many companies offer paid tuition programs, reimbursement

programs, and in-house training to increase the skills and knowledge of the employee.

- *Performance appraisals* provide an avenue for feedback and goal setting. They also allow for employees to be recognized for their contributions.
- *Succession plans* allow us, as employees, the ability to see how we can continue our career with the organization, and they clearly detail what employees need to do to achieve career growth.
- Some companies use flextime and telecommuting options as motivators. These types of plans allow the employee flexibility when developing his or her schedule and some control of his or her work. Some companies also offer paid or unpaid sabbaticals after a certain number of years with the company to pursue personal interests.
- Since one of the reasons people are dissatisfied at their job is because of the relationship with their manager, many companies require management training and communication training to ensure managers are able to establish good relationships with employees.
- Some companies may change the job through empowerment or job enlargement to help the growth of the employee.
- Other, more unique ways companies try to retain employees might include offering services to make the employee's life easier, such as dry cleaning, daycare services, or on-site yoga classes.

CHAPTER CASE

1. The following is a list of some possible strategies companies use to motivate employees. Rank each one in order of importance to you (one being the most important). Then categorize where you think each would go in Maslow's Hierarchy and Hertzberg's theory.

   a. Salary
   b. Opportunity for bonuses, profit sharing
   c. Benefits
   d. Opportunity to grow professionally with the organization
   e. Team bonuses
   f. More paid time off
   g. Option to telecommute
   h. Flextime scheduling
   i. Sense of empowerment
   j. Tuition reimbursement
   k. Job satisfaction