Instructor's Manual to Accompany

Organizational Behavior 7/e

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Chapter 5:

Foundations of Employee Motivation

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5 Foundations of Employee Motivation

LEARNING OBJECTIVES

After reading this chapter, students should be able to:

1. Define employee engagement.
2. Explain the role of human drives and emotions in employee motivation and behavior.
3. Summarize Maslow's needs hierarchy, McClelland's learned needs theory, and four-drive theory, and discuss their implications for motivating employees.
4. Discuss the expectancy theory model, including its practical implications.
5. Outline organizational behavior modification (OB Mod) and social cognitive theory, and explain their relevance to employee motivation.
6. Describe the characteristics of effective goal setting and feedback.
7. Summarize equity theory and describe ways to improve procedural justice

CHAPTER GLOSSARY

balanced scorecard (BSC) -- A goal-setting and reward system that translates the organization's vision and mission into specific, measurable performance goals related to financial, customer, internal, and learning/growth (i.e., human capital) processes.

distributive justice -- Perceived fairness in the individual's ratio of outcomes to contributions relative to a comparison other's ratio of outcomes to contributions.

drives -- Hardwired characteristics of the brain (neural states) that correct deficiencies or maintain an internal equilibrium by producing emotions to energize individuals

employee engagement -- Individual emotional and cognitive motivation, particularly a focused, intense, persistent, and purposive effort toward work-related goals

equity theory -- A theory explaining how people develop perceptions of fairness in the distribution and exchange of resources.

expectancy theory -- A motivation theory based on the idea that work effort is directed toward behaviors that people believe will lead to desired outcomes.

four-drive theory -- A motivation theory based on the innate drives to acquire, bond, comprehend, and defend that incorporates both emotions and rationality.

goal setting -- The process of motivating employees and clarifying their role perceptions by establishing performance objectives.

Maslow's needs hierarchy theory -- A motivation theory of needs arranged in a hierarchy, whereby people are motivated to fulfill a higher need as a lower one becomes gratified

motivation -- The forces within a person that affect his or her direction, intensity, and persistence of voluntary behavior

multisource (360-degree) feedback -- Information about an employee's performance collected from a full circle of people, including subordinates, peers, supervisors, and customers.

need for achievement (nAch) -- A learned need in which people want to accomplish reasonably challenging goals and desire unambiguous feedback and recognition for their success.

need for affiliation (nAff) -- A learned need in which people seek approval from others, conform to their wishes and expectations, and avoid conflict and confrontation.

need for power (nPow) -- A learned need in which people want to control environment, including people and material resources, to benefit either themselves (personalized power) or others (socialized power)

needs -- Goal-directed forces that people experience

organizational behavior modification -- A theory that explains employee behavior in terms of the antecedent conditions and consequences of that behavior.

procedural justice -- Perceived fairness of the procedures used to decide the distribution of resources

self-reinforcement -- reinforcement that occurs when an employee has control over a reinforcer but doesn't "take" it until completing a self-set goal.

social cognitive theory -- A theory that explains how learning and motivation occur by observing and modeling others as well as by anticipating the consequences of our behavior.

strengths-based coaching -- A positive organizational behavior approach to coaching and feedback that focuses on building and leveraging the employee's strengths rather than trying to correct his or her weaknesses.

CHAPTER SUMMARY BY LEARNING OBJECTIVE

5-1 Define employee engagement.

Employee engagement is defined as an individual's emotional and cognitive (rational) motivation, particularly a focused, intense, persistent, and purposive effort toward work-related goals. It is emotional involvement in, commitment to, and satisfaction with the work, as well as a high level of absorption in the work and sense of self-efficacy about performing the work.

5-2 Explain the role of human drives and emotions in employee motivation and behavior.

Motivation consists of the forces within a person that affect his or her direction, intensity, and persistence of voluntary behavior in the workplace. Drives (also called primary needs) are neural states that energize individuals to correct deficiencies or maintain an internal equilibrium. They are the "prime movers" of behavior, activating emotions that put us in a state of readiness to act. Needs—goal-directed forces that people experience—are shaped by the individual's self-concept (including personality and values), social norms, and past experience.

5-3 Summarize Maslow's needs hierarchy, McClelland's learned needs theory, and four-drive theory, and discuss their implications for motivating employees.

Maslow's needs hierarchy groups needs into a hierarchy of five levels and states that the lowest needs are initially most important but higher needs become more important as the lower ones are satisfied. Although very popular, the theory lacks research support because it wrongly assumes that everyone has the same hierarchy. The emerging evidence suggests that needs hierarchies vary from one person to the next, according to their personal values.

McClelland's learned needs theory argues that needs can be strengthened through learning. The three needs studied in this respect have been need for achievement, need for power, and need for affiliation. Four-drive theory

states that everyone has four innate drives—the drives to acquire, bond, comprehend, and defend. These drives activate emotions that people regulate through a skill set that considers social norms, past experience, and personal values. The main recommendation from four-drive theory is to ensure that individual jobs and workplaces provide a balanced opportunity to fulfill the four drives.

5-4 Discuss the expectancy theory model, including its practical implications.

Expectancy theory states that work effort is determined by the perception that effort will result in a particular level of performance (E-to-P expectancy), the perception that a specific behavior or performance level will lead to specific outcomes (P-to-O expectancy), and the valences that the person feels for those outcomes. The E-to-P expectancy increases by improving the employee's ability and confidence to perform the job. The P-to-O expectancy increases by measuring performance accurately, distributing higher rewards to better performers, and showing employees that rewards are performance-based. Outcome valences increase by finding out what employees want and using these resources as rewards.

5-5 Outline organizational behavior modification (OB Mod) and social cognitive theory and explain their relevance to employee motivation.

Organizational behavior modification takes the behaviorist view that the environment teaches people to alter their behavior so that they maximize positive consequences and minimize adverse consequences. Antecedents are environmental stimuli that provoke (not necessarily cause) behavior. Consequences are events following behavior that influence its future occurrence. Consequences include positive reinforcement, punishment, negative reinforcement, and extinction. The schedules of reinforcement also influence behavior.

Social cognitive theory states that much learning and motivation occurs by observing and modeling others, as well as by anticipating the consequences of our behavior. It suggests that people typically infer (rather than only directly experience) cause-and- effect relationships, anticipate the consequences of their actions, develop self-efficacy in performing behavior, exercise personal control over their behavior, and reflect on their direct experiences. The theory emphasizes self-regulation of individual behavior, including self-reinforcement, which is the tendency of people to reward and punish themselves as a consequence of their actions.

5-6 Describe the characteristics of effective goal setting and feedback.

Goal setting is the process of motivating employees and clarify- ing their role perceptions by establishing performance objectives. Goals are more effective when they are SMARTER (specific, measurable, achievable, relevant, time-framed, exciting, and reviewed). Effective feedback is specific, relevant, timely, credible, and sufficiently frequent. Strengths-based coaching (also known as appreciative coaching) maximizes employee potential by focusing on their strengths rather than weaknesses. Employees usually prefer nonsocial feedback sources to learn about their progress toward goal accomplishment.

5-7 Summarize equity theory and describe ways to improve procedural justice.

Organizational justice consists of distributive justice (perceived fairness in the outcomes we receive relative to our contributions and the outcomes and contributions of others) and procedural justice (fairness of the procedures used to decide the distribution of resources). Equity theory has four elements: outcome/input ratio, comparison other, equity evaluation, and consequences of inequity. The theory also explains what people are motivated to do when they feel inequitably treated. Companies need to consider not only equity in the distribution of resources but also fairness in the process of making resource allocation decisions.

LECTURE OUTLINE (WITH POWERPOINT® SLIDES)

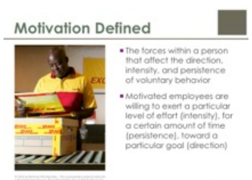
Foundations of Employee Motivation
Slide 1

Foundations of Employee Motivation

Employee Engagement and Motivation at DHL Express
Slide 2

Employee Engagement and Motivation at DHL Express

DHL Express, the courier division of Germany's Deutsche Post, has been building a workforce of highly engaged employees in Africa (shown here) and globally."Motivated and engaged employees are crucial to the success of any business," says a DHL Express executive.



Motivation Defined
Slide 3

Motivation Defined

The forces within a person that affect the direction, intensity, and persistence of voluntary behavior

Motivated employees are willing to exert a particular level of effort (intensity), for a certain amount of time (persistence), toward a particular goal (direction)

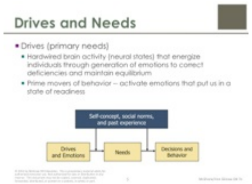
Employee Engagement
Slide 4

Employee Engagement

Employee's emotional and cognitive motivation, particularly a focused, intense, persistent, and purposive effort toward work-related goals.

- Focused, intense, persistent, and purposive effort toward work-related goals
- High level of absorption in the work i.e. intense focus
- High self-efficacy i.e. belief that you have the ability, role clarity, and resources to get the job done

Various reports suggest that engagement has a strong effect on employee and work unit performance



Drives and Needs
Slide 5

Drives and Needs

Drives (primary needs) are hardwired brain activity that produce emotions to energize individuals to correct deficiencies and maintain an internal equilibrium

- Neural states that energize individuals
  - e.g. drive for social interaction, understanding the environment, competence or status, and defending oneself
- Generate emotions that put us in a state of readiness
- Prime movers of behavior (our motivation originates form drives)
- Self-concept, social norms, and past experience amplify or suppress drive-based emotions

Drives and Needs (con't)
Slide 6

Drives and Needs (con't)

Needs are goal-directed forces that people experience

- We channel emotional forces toward specific goals
- Goals formed by self-concept, social norms, and past experience -- guide direction of our effort

Maslow's Needs Hierarchy Theory
Slide 7

Maslow's Needs Hierarchy Theory

Most widely known theory of human motivation – physiological, safety, belongingness, esteem, and self-actualization

- Two additional categories not in the hierarchy (desire to know and desire for aesthetic beauty)
- Lowest unmet need has strongest effect
- When lower need is satisfied, next higher need becomes the primary motivator

Maslow's model lacks empirical support

- People do not progress through the hierarchy as the theory predicts
- Need fulfillment exists for a shorter time than Maslow suggested
- people have different hierarchies
- Main problem: needs hierarchy is unique to each person and can possibly change over time
  - Person's needs hierarchy is shaped by his/her values hierarchy

Maslow's Contribution to Motivation

Slide 8

Maslow's Contribution to Motivation

Holistic perspective

- Multiple needs should be studied together because they operate together

Humanistic perspective

- Higher-order needs are influenced by personal and social influences, not just instinct
- Therefore, human thoughts (self-concept, social norms, experience) influence motivation

Positive perspective

- Self-actualization: people are naturally motivated to reach their potential (growth needs)
- Foundation of positive organizational behavior
    - ➡ focusing on the positive rather than negative aspects of life will improve organizational success and individual well-being

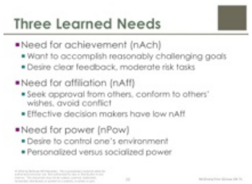
Learned Needs Theory

Slide 9

Learned Needs Theory

Needs are shaped, amplified or suppressed through self-concept, social norms, and past experience

Needs can be "learned" (i.e. strengthened through reinforcement, learning and social conditions)



Three Learned Needs
Slide 10

Three Learned Needs

Need for achievement (nAch)

- High nAch people want to accomplish reasonably challenging goals through their own effort
- Desire clear feedback and recognition;choose moderate risk tasks; prefer working alone; money is a weak motivator
- Low nAch people work better when money is an incentive
- Entrepreneurs have high achievement need

Need for affiliation (nAff)

- Seek approval of others, conform to their wishes and expectations, and avoid conflict and confrontation
- Need a relatively low need for affiliation in key decision making positions so choices are not biased by personal need for approval

Need for power (nPow)

- People want to control their environment including people and material resources
- Personalized power – enjoy power for its own sake and use it to advance personal interests
- Socialized power – desire power as a means to help others
- Effective leaders – have high need for socialized rather than personalized power

Four-Drive Theory
Slide 11

Four-Drive Theory

Motivation theory based on the innate drives to acquire, bond, comprehend, and defend and that incorporates both emotions and rationality

Drive to acquire
- Drive to seek, take, control, and retain objects and personal experiences
- Need for status and recognition; foundation of competition

Drive to bond
- Drive to form social relationships and mutual caring commitments with others
- explains why people form social identities (align self-concept with social groups)

Drive to comprehend
- Drive to satisfy our curiosity, to know and understand ourselves and our environment
- Related to higher order needs of growth and self-actualization

Drive to defend
- Drive to protect ourselves physically and socially; ‘fight or flight’ response; includes defending our relationships and belief systems
- Drive to defend is always reactive (triggered by threat), not proactive

Features of Four Drives

Innate and universal – everyone has them

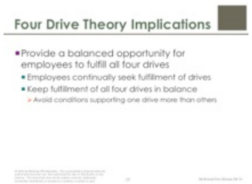
Independent of each other – no hierarchy of drives

Complete set – no drives are excluded from the model

How Four Drives Motivate
Slide 12

How Four Drives Motivate

1. Four drives determine which emotions are automatically tagged to incoming information (emotional markers)
2. Emotions are usually nonconscious, but become conscious experiences when sufficiently strong or conflict
3. When emotions energize us, our mental skill set transforms this primary motivation into goal-directed choice and effort
   - ➡ mental skill set includes social norms, personal values, and experience



Four Drive Theory Implications
Slide 13

Four Drive Theory Implications

Provide a balanced opportunity for employees to fulfill all four drives

- Best workplaces for employee motivation and well-being help employees fulfill all four drives
- Keep fulfillment of all four drives in balance – organizations should avoid too much or too little opportunity to fulfill each drive

Expectancy Theory of Motivation
Slide 14

Expectancy Theory of Motivation

Based on the idea that work effort toward is directed toward behaviors that people believe will lead to desired outcomes

Effort—>Performance (E-to-P) expectancy

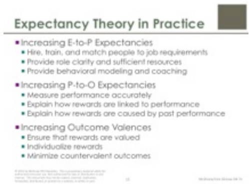
- Individual's perception that his/her effort will result in a particular level of performance
- Ranges from 0.0 (no chance) to 1.0 (certainty)

Performance—>Outcome (P-to-O) expectancy

- Perceived probability that a specific behavior or performance level will lead to a particular outcome
- Ranges from 0.0 (no chance) to 1.0 (certainty)

Outcome valences

- Anticipated satisfaction/dissatisfaction that an individual feels toward an outcome (i.e. anticipated positive/negative emotions)
- Positive valence when outcome is consistent with our values; negative valance when outcome opposes values and inhibit need fulfillment



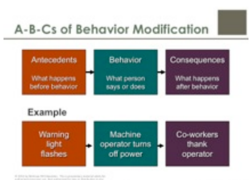
Increasing E-to-P and P-to-O Expectancies
Slide 15

Expectancy Theory in Practice

Increasing E-to-P Expectancies
- Assuring employees they have the necessary competencies
- Person-job matching
- Clear role perceptions and necessary resources
- Behavioral modeling and supportive feedback

Increasing P-to-O Expectancies
- Measure employee performance accurately
- Distribute more valued rewards to those with higher performance
- Explain how employee's rewards were based on past performance

Increasing Outcome Valences
- Distribute rewards that employees value
- Individualize rewards
- Minimize countervalent outcomes (e.g. peer pressure)



A-B-Cs of OB Mod
Slide 16

Organizational Behavior Modification (OB Mod)

Explains employee behavior in terms of the antecedent conditions and consequences of that behavior
- Explains how we learn expectancies in expectancy theory
- Focuses on environment, not thoughts

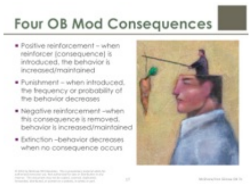
A-B-Cs of OB Mod

Central objective of behavior modification is to change behavior (B) by managing its antecedents (A) and consequences (C).

Antecedents
- Events preceding the behavior
- Informs employees that a particular action will produce specific consequences – e.g. sound signaling that an email has arrived

Behavior
- What people say or do – e.g. completing a task requested by a supervisor

Consequences
- Events following behavior that influences its future occurrence – e.g. positive comment when the employee puts on safety eyewear



Four OB Mod Consequences

Slide 17

Four OB Mod Consequences

Positive reinforcement

- When introduced, increases or maintains the frequency or future probability of a specific behavior
- e.g. receiving praise after completing a project

Punishment

- Occurs when a consequence decreases the frequency or future probability of a behavior
- e.g. being demoted or ostracized by our co-workers

Negative reinforcement

- Occurs when the removal or avoidance of a consequence increases or maintains the frequency or future probability of a behavior
- e.g. manager stops criticizing employee when substandard performance improves

Extinction

- Occurs when the target behavior decreases because no consequence follows it
- e.g. performance declines when manager stops congratulating employees for their good work

Behavior Modification in Practice

Everyone uses organizational behavior modification principles in one form or another to influence behavior of others

- In every day life e.g. thank people for a job well done
- Formal company programs to reduce absenteeism, improve task performance, improve safety etc.

Behavior modification problems/limitations include:

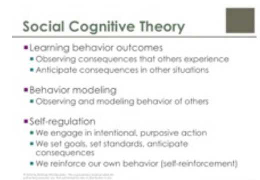
- Reward inflation – the reinforcer is eventually considered an entitlement
- Variable ratio schedule may be viewed as gambling or too random
- Ignores relevance of cognitive processes in learning

Reinforcing Behavior through Gamification

Slide 18

Reinforcing Behavior Through Gamification

Deloitte Touche Tohmatsu employees earn "badges" for documenting meetings and completing online learning modules. Earned badges are posted on leader boards, which further motivates them through friendly competition and status.



Social Cognitive Theory

Slide 19

Social Cognitive Theory

Learning and motivation occurs by observing and modeling others as well as by anticipating the consequences of our behavior

Learning behavior outcomes

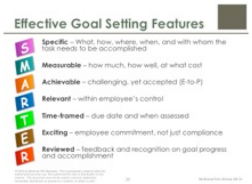
- Observing consequences that others experience
  - ➡ e.g. co-worker fired for being rude to a customer
- Anticipating consequences in other situations
  - ➡ fire coworker incident affects your P-to-O expectancy about being fired if rude to coworkers

Behavior modeling

- Observing, imitating, and practicing behavior of others
- Increases self-efficacy

Self-regulation

- People engage in intentional, purposive action
- Set their own short and long-term goals, standards of achievement, plan of action, consider alternatives, and anticipate consequences
- People engage in self-reinforcement – reinforce behavior by rewarding/punishing themselves with consequences within their control



Effective Goal Setting Features
Slide 20

Goal Setting

The process of motivating employees and clarifying their role perceptions by establishing performance objectives

Effective Goal Setting Features

Apply "SMARTER" goals

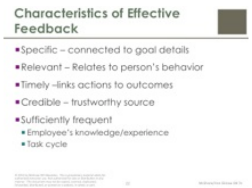
- **Specific** – What, how, where, when, and with whom the task needs to be accomplished
- **Measurable** – how much, how well, at what cost
- **Achievable** – challenging, yet accepted (maintain high E-to-P expectancy)
- **Relevant** – within employee's control
- **Time-framed** – due date and when assessed
- **Exciting** – employee commitment, not just compliance
- **Reviewed** – feedback and recognition on goal progress and accomplishment

Balanced Scorecard
Slide 21

Balanced Scorecard

Organizational-level goal setting and reward system that translates the organization's vision and mission into specific, measurable performance goals

- Goals usually organized around financial, customer, internal, and learning/growth (i.e. human capital) processes
- Goals cascade down to departments and employees – several goals within each process
- Goals are often weighted and scored to create a composite measure of success



Characteristics of Effective Feedback
Slide 22

Characteristics of Effective Feedback

1. Specific – connected to the details of the goal (to specific metrics) e.g. "Sales increased by 5% this month"
2. Relevant – relates to the individual's behavior or outcomes within his or her control
3. Timely – available as soon as possible so employees see a clear association between their actions and consequences
4. Credible – employees more likely to accept feedback from a trustworthy source
5. Sufficiently frequent – considers employee's knowledge, experience with the task and how long it takes to complete the task (task cycle) e.g. employees working on new tasks should receive more frequent feedback

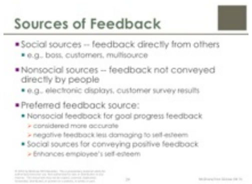
Strengths-Based Coaching Feedback
Slide 23

Strengths-based Coaching Feedback

Positive OB approach to coaching and feedback that focuses on building and leveraging the employee's strengths rather than trying to correct his/her weaknesses

Motivational because:

- People inherently seek feedback about their strengths, not their flaws – consistent with self-enhancement
- Employee's interests, preferences, and competencies are less flexible than assumed because personality and self-concept become stable in adulthood -- so negative feedback has limited effect on changing behavior and performance



Source of Feedback
Slide 24

Sources of Feedback

Social sources -- Feedback directly from others

- e.g., boss, customers, multisource
- Multisource feedback -- a full circle of people around the employee
  - ➡ potentially accurate and fair
  - ➡ potentially expensive, time-consuming, ambiguous, inflated, etc.

Nonsocial sources -- feedback not conveyed directly by people

- e.g. electronic displays at call centers, customer survey results

Preferred feedback source:

- Use nonsocial feedback for goal progress feedback
  - ➡ considered more accurate than social sources, which tend to delay and distort negative feedback
  - ➡ negative feedback less damaging to self-esteem
- Use social sources for conveying positive feedback
  - ➡ Enhances employee's self-esteem

Evaluating Goal Setting and Feedback

Goal setting is one of the most respected theories in OB in terms of validity and usefulness

Goal setting/feedback limitations:

- Focuses employees on a narrow set of measurable performance indicators i.e. "What gets measured, gets done"
- Employees motivated to set easy goals when tied to pay (bonus)
- Goal setting interferes with learning process in new, complex jobs despite being effective in established jobs

Organizational Justice
Slide 25

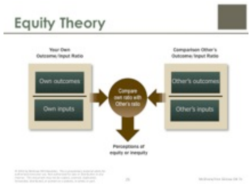
Organizational Justice

Distributive justice

- Perceived fairness in the individual's ratio of outcomes to contributions compared with a comparison to other's ratio of outcomes to contributions

Procedural justice

- Perceived fairness of the procedures used to decide the distribution of resources

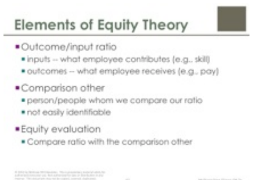


Equity Theory

Slide 26

Equity Theory

Perceptions of equity are explained by equity theory – employees develop perceptions of fairness by comparing their outcome/input ratio to the outcome/input ratio of some other person



Elements of Equity Theory

Slide 27

Elements of Equity Theory

Outcome/input ratio

- Inputs -- what employee contributes e.g. skill, effort, reputation, performance, experience, hours worked
- Outcomes -- what employee receives e.g. pay, promotions, recognition, interesting jobs, opportunities to improve skills

Comparison other

- Person/people against whom we compare our ratio
- Not easily identifiable – may be someone in the same job, another job, or another company, or a “generalized” comparison other

Equity evaluation

- Compare outcome/input ratio with the comparison other
- Result: Perception of equity, underreward inequity or overreward inequity

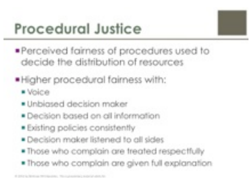
Correcting Inequity Tension
Slide 28

Inequity and Employee Motivation

When people believe they are under- or over-rewarded, they experience negative emotions (inequity tension)

Correcting Inequity Tension – Underreward Inequity

1. Reduce our inputs – e.g. work more slowly, offer fewer suggestions, engage in less organizational citizenship behavior
2. Increase our outcomes – e.g. ask for a pay raise, make unauthorized use of company resources
3. Increase the comparison other's inputs – e.g. ask the better-paid co-worker to do a larger share of the work
4. Reduce comparison other's outcomes – e.g. ensuring the co-worker gets less desirable jobs or working conditions
5. Change our perceptions/beliefs i.e. perceptual rather than behavioral – e.g. believe that the co-worker really is doing more such as working longer hours
6. Change the comparison other – e.g. compare yourself more with a friend who works in a similar job than the higher-paid co-worker
7. Leave the field – e.g. move to another department, quit



Procedural Justice
Slide 29

Procedural Justice

Perceived fairness of procedures used to decide the distribution of resources

Higher procedural fairness with:

- Voice – encourage employees to present their perspectives
- Unbiased decision maker
- Decisions based on complete and accurate information
- Applies existing policies consistently
- Decision maker listened to all sides
- Those who express concerns are treated respectfully
- A full explanation of the decision is provided

Note: Consequences of Procedure Injustice – withdrawal or aggression

Foundations of Employee Motivation

Foundations of Employee Motivation

Slide 30

SOLUTIONS TO CRITICAL THINKING QUESTIONS

1. **Four-drive theory is conceptually different from Maslow's needs hierarchy in several ways. Describe these differences. At the same time, needs are based on drives, so the four drives should parallel the seven needs that Maslow identified (five in the hierarchy and two additional needs). Map Maslow's needs onto the four drives in four-drive theory.**

   While the four-drive theory reinforces the view of Maslow in that needs are part of human nature, it differs significantly in some respects. First, it avoids the assumption that everyone has the same needs hierarchy. Second, it considers how situation, personal experience, and cultural values affect one's intensity, persistence and direction of effort. Third, four-drive theory clarifies the role of emotional intelligence with respect to motivation and behavior. For example, employees with high EI are more sensitive to their own drives and are better able to avoid impulsive behavior.

   We can map Maslow's needs onto the four-drive theory in the following ways:

   Drive to acquire. This is the drive to seek, take control, and retain objects and personal experiences. This relates to physiological needs (Maslow), and forms the foundation for competition and our need for esteem (Maslow).

   Drive to bond. This is the drive to form social relationships and develop mutual caring commitments with others. This relates to belongingness (Maslow).

   Drive to learn. This is the drive to satisfy one's curiosity, to know and understand ourselves and the environment around us. This relates to the higher order needs of self-actualization (Maslow).

   Drive to defend. This is the drive to protect ourselves physically and socially. This is the only drive that is reactive because it is triggered by a threat. Because the drive to defend also extends beyond protecting our physical self to defending our relationships and our belief systems it relates to safety, belongingness and esteem needs (Maslow).

2. **Learned needs theory states that needs can be strengthened or weakened. How might a company strengthen the achievement needs of its management team?**

   McClelland's learned needs theory identifies three needs. However, this question requires students to focus only on the need for achievement (nAch) and describe how it could be strengthened or weakened.

   This theory holds that needs can be strengthened via reinforcement, learning and social conditions. Therefore, answers should address these strategies in a workplace setting. A typical answer might refer to the following:

   Behavioral modeling. The company could develop programs where trainees observe and interact with high achievers and try to replicate their actions and thoughts. For instance, they might be asked to write achievement-oriented stories, or practice achievement-oriented behaviors in various types of simulations. They could also learn how to develop and write achievement plans.

   Provide Reinforcement. Employees could be encouraged to engage in more achievement– oriented behaviors, if the company provided a combination of effective feedback and recognition. The recognition could take the form of awards, praise, time off, or monetary incentives.

   Social conditions. The company could strive to establish an environment where achievement is celebrated by supervisors, and peers. Some group incentives for reaching certain objectives could be put in place to socialize success among groups of employees.

3. **Two friends who have just completed an organizational behavior course at another university inform you that employees must fulfill their need for self-esteem and social esteem before they can reach their full potential through self-actualization. What theory are these friends referring to? How does their statement differ from what you learned about that theory in this chapter?**

   These two people are referring to Maslow's needs hierarchy, and their statement suggests that they were taught that the theory was accurate. Yet Maslow's needs hierarchy was rejected more than a quarter century ago. More recently, experts are forming the view that humanity does not have a single universal hierarchy of needs. Instead, a person's hierarchy varies with their self-concept, particularly personal values and social identity. Thus, when a person fulfills his/her need for esteem, they might move on to another need than self-actualization.

4. **You just closed a deal with an organizational client, and this helps you achieve the target that was set for you by the unit. Use expectancy theory to discuss how the events that will follow may increase your motivation and engagement.**

   Expectancy theory states that work effort is directed towards behaviors that people believe will lead to desired outcomes. It has three components. First, the belief that effort will lead to a level of performance, which you did believe and were able to achieve in this case. Second, the belief that performance will lead to outcomes and third, that outcomes will lead to anticipated satisfaction. Now, if there were some rewards/ outcomes that you expected as a result of this performance and they were actually realized, it will increase your motivation. However, beyond the realization of outcomes, it is also important how much the outcomes matter to you, all of these things together will increase your engagement and motivation.

5. **Describe a situation in which you used organizational behavior modification to influence someone's behavior. What specifically did you do? What was the result?**

   Ask students to reflect on their experiences with influencing the behavior of another person. It may be helpful to encourage students to first describe the behavior they wanted to see demonstrated before considering what they did to influence the demonstration of the behavior. The following steps are intended to serve as an outline:

   Ask students to specifically describe what behavior they wanted the person to demonstrate.

   Identify events or cues they used to increase the likelihood the desired behavior would be demonstrated.

   Identify what they did after the desired behavior was demonstrated to influence its future occurrence.

Discussion may also be generated regarding how they felt about the use of behavior modification as a means to influence behavior.

Also, ask student to discuss how they felt about the use of behavior modification as a means to influence behavior. Some students may suggest we all practice behavior modification on a day-to-day basis e.g. when we thank someone for something they did, however, encourage students to raise issues about ethical concerns – e.g. is behavior modification a form of manipulation?

6. **Using your knowledge of the characteristics of effective goals, establish two meaningful goals related to your performance in this class.**

Six conditions to maximize task effort and performance are identified. Effective goals should reflect each of the following elements.

Specific. A specific goal communicate precise outcome expectations Relevant. Relates to the individual's role and is within his/her control

Challenging. Goal that is challenging enough to stretch the employee's abilities and motivation toward peak performance

Goal commitment. Commitment exists to accomplishing the goal

Goal participation. Individual (sometimes) participates in setting the goal

Goal feedback. Information that people receive about the consequences of their behavior

Students should be encouraged to write draft goal statements and then working in small groups or with a partner, refine their draft goal statements to ensure each of the above criteria are applied. Each goal statement needs to reflect the individual's current level of performance, knowledge etc. For example, what is challenging to one student may be unattainable, therefore, de-motivating to another student.

7. **Most people think they are "worth more" than they are paid. Furthermore, most employees seem to feel that they exhibit better leadership skills and interpersonal skills than others. Please comment on this human tendency.**

When people believe that the "average is above average", this is not rational! When people in general are asked if they are "better than average" or below average, most tend to respond better than average. That isn't statistically likely! We also know from studies of the military, that 90% of all US Officers in the US Navy think they're in the top l0% of US Officers in the US Navy. Again…statistically improbable! The same holds true for leadership skills and interpersonal skills. Try finding anyone who thinks they're below average in interpersonal skills. This nonrational nature of human nature is what makes many motivational programs demoralizing, and dehumanizing. If I think I'm better than average and you're trying to "correct" my self-concept of myself, the likely outcome will be one of frustration and most likely disbelief. When we extrapolate to the realm of pay, equity theory is spot on in explaining why we think we're underpaid vis-à-vis our coworkers.

8. **A large organization has hired you as a consultant to identify day-to-day activities for middle managers to minimize distributive and procedural injustice. The company explains that employees have complained about distributive injustice because they have different opinions about what is fair (equity, equality, need) and what outcomes and inputs have the greatest value. They also experience procedural injustice due to misperceptions and differing expectations. Given these ambiguities, what would you recommend to middle managers?**

The answer to this question can be partitioned into distributive and procedural justice practices for middle managers:

Distributive justice

The incident states that employees have different opinions about preferences for equity, equality, and need, as well as weightings of inputs and outcomes. these are common problems, and can be difficult to resolve. The first step for managers is to gain a clearer understanding of what employees expect and value. To the extent that they have

any control over distribution of resources (pay, job assignments, work schedules, etc), managers can look for preferred distributive criteria. For instance, if most employees recognize that vacation schedules should be based on equality (rather than equity or need), then managers can set up these schedules around equality (such as random selection when several people want the same time off). It is also important that managers point out the criteria used for these resource allocations so they are clearly understood.

Regarding the different weighting of inputs and outcomes, managers face a difficult situation due to the many possible inputs and outcomes combined with the many employees. One action is to make it clear what criteria are used for resources -- e.g. the better desks/offices are assigned to employee based on their seniority. These criteria should have some support among employees and need to be justified to the others. Managers also need to understand individual employee outcome preferences so if there discretion in resource allocation, managers can give employees more outcomes that they desire. This potentially maintains equity with other employees, yet the recipient employee might even feel overrewarded because the outcome is more valuable to that person.

Procedural Justice

Procedural justice is somewhat less complicated to apply because research has identified several distinct factors that seem to universally improve perceptions of procedural justice.

Voice: A top priority is to give the employee who feels underrewarded an opportunity to speak up about his or her complaint and offer reasons for that complaint.

Perceived as unbiased: Managers must not create incidents that others may misinterpret as favoritism (e.g., spending more time with one or two employees; seeing some employees socially after work);

Rely on complete and accurate information: Managers need to demonstrate that they are familiar with all aspects of the decision, including counterarguments to their decision;

Apply existing policies consistently: Managers need avoid exceptions to the rules of resource and reward allocation;

Listen to all sides of the dispute: Managers need to demonstrate attentiveness to everyone who presents their complaint, comments, or ideas regarding the issue;

Explain the decision: Managers need to have sound explanations for their decision, and actively communicate those explanations to employees affected by the decision;

Right to appeal the decision to a higher authority: Employees who feel underrewarded by the decision should have the right to provide their arguments to a higher authority (e.g. the boss’s boss) if the above actions do not resolve the matter.

CASE STUDY: PREDICTING HARRY'S WORK EFFORT

Case Synopsis

This case presents an interview with Harry, an employee who works in an undisclosed job. The interviewer asks Harry various questions about his job, all of which are directed toward elements of the expectancy theory of motivation model. The information provided enables students to figure out whether Harry is motivated to engage in a high or lower level of effort in his job.

Suggested Answers to Discussion Question

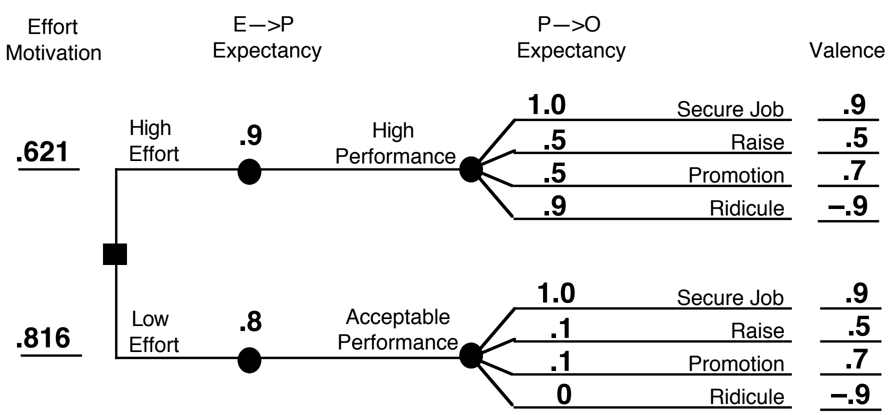
1. **Use the expectancy theory model to predict Harry's motivation to achieve high or acceptable performance in his job. Identify and discuss the factors that influence this motivation.**

   Students should work systematically through the three elements of expectancy theory to reach their conclusion. The effort level scores are calculated by multiplying each valence by the appropriate P-to-O expectancy, summing these results, then multiplying the sum by the E-to-P expectancy. The results are presented in the exhibit below. The result is that Harry is more motivated to exert lower effort (.816) than high effort (.621). (Note: These values become .896 and .711 if the valence of a secure job is 1.0 rather than 0.9.)

   Effort-to-performance expectancy: All expectancies are probabilities ranging from 0 (no chance) to 1.0 (definitely will occur). The E-to-P expectancies are explicitly stated in the interview.

   Performance-to-outcome expectancy: Students need to first identify the outcomes that are salient to Harry. these seem to be job security, raise, promotion, and ridicule from coworkers. The P-to-O expectancies for raise and promotion are explicitly stated in the interview. The expectancy for ridicule in the high performance level is also explicitly stated. The expectancy of ridicule at the acceptable performance level is zero based on Harry's statement that "the guys will not make fun of me" in that situation. A secure job has a 1.0 expectancy at both performance levels because Harry "is certain" to keep his job if he works at either a high or acceptable performance level.

   Valences: Valence scores can have any equally-balanced range. the exhibit below uses the range from -1.0 to +1.0. Secure job is "the most important" outcome, so it is assigned at least the same value as ridicule (either .9 or 1.0).



CASE STUDY: CINCINNATI SUPER SUBS

Note: Cincinnati Super Subs is revision of the famous “Perfect Pizzeria” case, which was written by J. E. Dittrich and R. A. Zawacki

Case Synopsis

Cincinnati Super subs is one of 300 restaurant franchises throughout Indiana, Ohio, and Michigan. Each operation has one manager, an assistant manager, a few team leaders, and many employees (mostly college and high school students who work part-time). Most employees earn minimum wage. The manager and assistant manager get a bonus for keeping costs (wastage) low. However, employees raise costs by helping themselves to food, and by adding free ingredients when their friends order a sub. Errors are supposed to be charged back to the responsible employee, but the night manager rarely writes this up because of peer pressure. The manager tried to reduce costs by reducing the free food allowance only to staff who work six or more hours (most work less than that minimum), but employees still nibbled whenever the manager or assistant manager were away. Morale fell and about 20 percent of the experienced employees quit. The high turnover and resulting staff shortages required the manager and assistant manager to train staff and spend more time in food preparation (even managers are discouraged from working directly in food preparation.) Accidental wastage increased due to new staff but deliberate wastage feel while the managers were in the restaurant. However, wastage increased again almost immediately after the managers stepped back from daily operations. In response, the manager withdrew all free food allowance and threatened to fire employee caught consuming food.

1. **What symptom(s) in this case suggest that something has gone wrong?**

   An important symptom in this case is the high level of food wastage. another symptom is morale problems -- employees were dissatisfied with their benefits (no more free food allowed) and management. Similarly, Cincinnati Super subs suffered from poor employee-management relations. Valued employees quit. The restaurant experienced lower productivity due to inexperienced staff hired and staff shortages. Employee loyalty is very low. Employees remain with the company only due to continuance commitment.

2. **What are the main causes of these symptoms?**

   (a) Lack of Motivation to Minimize Food Costs. The level of food wastage at Cincinnati Super Subs was high because employees had little motivation to reduce food costs. This can be explained in terms of the P-to-O expectancy in expectancy theory.

   Employees received several positive outcomes from the high food wastage. They enjoyed eating the free food (+). They enjoyed the support of their peers for taking food (+). Employees also fulfilled their social needs (drive to bond) and possibly need for status (drive to acquire) by giving free ingredients to their friends (+). Lastly, employees seem to feel inequity in their level of pay relative to other people in the labor market and compared with their previous rewards (better free food allowance). They redressed their feelings of inequity by taking food (+).

   There were few negative consequences of keeping food costs high. The manager’s threat of dismissals wasn’t very effective because some employees didn’t value the job anyway (i.e., some quit) and others probably didn’t believe (low P-to-O expectancy) that the manager could fire them. Specifically, most employees were taking food, and the manager couldn’t fire everyone.

   Employees perceived almost no positive outcomes of keeping food costs low. They received no rewards contingent on food costs. They apparently weren’t praised by the manager for keeping food costs low (and, in any event, relations were so poor that any praise wouldn’t have much valence.)

Employees perceived negative outcomes of keeping food costs low. They would receive peer pressure from other employees. Their friends might be critical, thereby leaving relatedness needs unfulfilled.

(b) Team Leaders Lacked Motivation (and Power) The team leaders were given legitimate power by the company, but employees continued to eat and give away food because they had more power over the team leader (ostracizing at school) than the team leader had over them. (NOTE: This part of the case analysis refers to concepts beyond this chapter -- see Chapter 10.)

Team leaders had legitimate power, but they did not exercise that authority due to risk of ostracism and, in any, event, employees would reject the team leader's legitimate power over them. Team leaders also had reward and coercive power in the sense that they could write up reports of food wastage. However, these team leaders were not motivated to complete these reports. Expectancy theory provides an explanation for this lack of motivation. The night manager apparently didn't receive any positive outcomes for writing up the reports. No bonus went to the night manager. The night manager received less than minimum wage, so it is likely that he/she felt inequitably rewarded (and possibly took some food). There were also negative outcomes of writing up these reports. The night manager valued friendships with some of the employees, so relatedness needs would be threatened if reports were written.

(c) Ineffective Use of Punishment. This case clearly illustrates the problems with using punishment to change behavior, as well as the negative consequences of punishment. The manager's use of punishment strained relations with employees.

Another problem with punishment that is apparent in this case is that it is usually effective only when the source of punishment is nearby. As soon as the manager stopped working in the restaurant, employees returned to their previous behaviors of eating and giving away free food.

This case also illustrates the problem that punishment creates disruptions in work activities. When employees quit due to the punishment imposed (reduced food allowance), the managers had to help with food preparation and train several new people. These disruptions undoubtedly disrupted the work flow and increased production costs.

3. **What actions should Cincinnati Super Subs' managers take to correct these problems?**

One of the most important solutions to this case is to link food costs (wastage) to employee rewards. This would motivate employees to reduce wastage and may reduce their feelings of inequity. One strategy would be to offer employees a bonus on their salary based on achieving specific food wastage targets for the month. Depending on the ability to collect more precise food wastage data, the manager might link food wastage on each work shift to bonuses for employees working on that shift. This would further strengthen the P-to-O expectancy.

Bonuses would probably work best because employees feel they are underpaid relative to others in the labor market. However, the manager might first consider using token awards, such as t-shirts, free subs coupons, or challenges with rewards donated to the school or some other cause.

It will be difficult to completely restore employee-manager relations in the short term. However, some actions may help. The manager would certainly improve relations somewhat by removing threats and other sources of punishment, except for the most serious infractions.

The manager might also let employees create special social events on or off the job. This will be difficult at first, but employees might support them over time. (Example: the restaurant might have a special "top hat" sub promotion in which employees wear top hats and customers get a discount for one premium sub with the works.) This would improve social bonding among employees and improve loyalty to the company. It might improve employee-management relations if the manager gets involved and is seen as the source of these positive events.

Cincinnati Super Subs needs to rethink the team leader's role. It is evident that peer pressure and lack of legitimate power (in the eyes of employees) makes the team leader's duties of reporting food wastage unreasonable. Fortunately, the performance-based reward system for employees should minimize the need for supervision. If the team leader needs a power base for his/her role, then the company should consider hiring people who are not as closely associated with the employees, are paid more, receive a bonus for minimizing food wastage, and have reward and coercive power over employees.

CLASS EXERCISE: NEEDS PRIORITY EXERCISE

Purpose

This class exercise is designed to help students understand employee needs in the workplace.

Instructions (Small Class)

Step 1: The table below lists in alphabetical order 16 characteristics of the job or work environment. Working alone, use the far-left column to rank-order the importance of these characteristics to you personally. Write in "1" beside the most important characteristic, "2" for the second most important, and so on through to "16" for the least important characteristic on this list.

Step 2: Identify any three (3) of these work attributes that you believe have the largest score differences between Generation Y (Millennial) male and female postsecondary students (i.e., those born in 1980 or after). Indicate which gender you think identifies that attribute as more important.

Step 3: Students are assigned to teams, where they compare each other's rank-order results as well as perceived gender differences in needs. Note reasons for the largest variations in rankings and be prepared to discuss these reasons with the entire class. Students should pay close attention to different needs, self-concepts, and various forms of diversity (culture, profession, age, etc.) within your class to identify possible explanations for any variation of results across students.

Step 4: The instructor will provide results of a recent large-scale survey of Generation-Y/Millennial postsecondary students (i.e. born in 1980 or after). When these results are presented, identify the reasons for any noticeable differences in the class. Relate the differences to your understanding of the emerging view of employee needs and drives in work settings. For gender differences, discuss reasons why men and women might differ on these work-related attributes.

Instructions (Large Class)

Step 1 and Step 2: Same as above.

Step 3: The instructor will ask students, by a show of hands (or use of classroom technology), to identify their top-ranked attributes as well as the attributes believed to have the greatest gender differences among Gen-Yers.

Step 4: Same as above.

Comments to Instructors

The items in this activity were surveyed to 23,413 millennial undergraduate university students. The results of that large-scale study are shown in the table on the next page. The table shows the mean scores (on a five-point scale) for each of the 16 job attributes as well as the ranking of those attributes.

These results provide some insight regarding how Millennials think about employee needs. However, we hasten to point out that the study also found significant differences by gender, visible minority status, grade point average, work experience, and year of study. The differences by visible minority status were mainly that those in the visible minority group gave much higher importance to strong commitment to employment diversity. As for gender differences, women gave much higher ratings compared to men for strong commitment to employment diversity, opportunities to have a social impact, commitment to social responsibility, good health and benefits plan, and opportunities to have a personal impact.

This exercise is a popular activity because students have varied opinions regarding which needs are most important. Also, students are often surprised to see how different their priorities are to each other. Part of this activity involves linking the specific items in the exhibit to employee needs. This should be done with both Maslow's needs hierarchy and with the four drives in four-drive theory. For example, students should notice that "good people to work with" relates to the drive to bond (four drive theory) and need for affiliation (Maslow's hierarchy).

Needs Priority Survey Results

Attributes of Work (Listed Alphabetically)	Mean Survey Score (where 5=essential; 1=not at all important)	Ranking based on survey results (1=most important)
Challenging work	4.07	10
Commitment to social responsibility	3.84	12
Good health and benefits plan	4.32	6
Good initial salary level	4.17	9
Good people to report to	4.43	3
Good people to work with	4.46	2
Good training opportunities/developing new skills	4.41	4
Good variety of work	4.23	7
Job security	4.18	8
Opportunities for advancement in position	4.49	1
Opportunities to have a personal impact	3.98	11
Opportunities to have a social impact	3.82	13
Opportunity to travel	3.46	16
Organization is a leader in its field	3.65	14
Strong commitment to employee diversity	3.58	15
Work-Life balance	4.33	5

Based on information in: Ng, E., Schweitzer, L., & Lyons, S. (2010). New Generation, Great Expectations: A Field Study of the Millennial Generation. *Journal of Business and Psychology*, 25(2), 281-292.

CLASS EXERCISE: THE LEARNING EXERCISE

Purpose

This exercise is designed to help students understand how motivation is influenced by the contingencies of reinforcement in organizational behavior modification.

Materials

Any objects normally available in a classroom will be acceptable for this activity.

Instructions

This exercise has minimal instructions in the textbook to avoid signaling participants about the activity. Here is the complete set of instructions:

Step 1: Select and brief volunteeers. Ask for three volunteers, who are then taken outside the classroom (preferably to a nearby area where they cannot hear or see what is happening inside the classroom). During the briefing, you should advise these three people that they will be given a task when they enter the room, that the task is non-threatening, and that each participant will engage in the task alone. One participant then volunteers to go first, and you should warn the two remaining participants that they will probably be waiting several minutes for their turn while the first participant engages in the task in the classroom.

Step 2: Brief the class. With all three volunteers outside the classroom, return to the class to give the rest of the class the following instructions. First, find an object, such as a whiteboard marker or piece of crumpled paper, and place it somewhere in plain sight in the room. Next, tell the class that they are going to teach each volunteer to pick up the object and move it to another spot in the room that you designate (such as give it to a specific student in the class or drop it in the wastebasket). Third, explain that the class can only teach the volunteers to do this using the following reinforcement strategies:

1st volunteer: The class will only use punishment, preferably a common consequence such as calling out “booo” or “no!” as soon as (and whenever) the person moves away from the object or otherwise doesn’t do what is required for the task. Warn students that they absolutely CANNOT show any positive reinforcement when the first volunteer does something correctly. When the volunteer acts appropriately, the class must remain completely silent. NO WORDS may be spoken at any time. The volunteer may remain in the class after completing the task.

2nd volunteer: The class will only use positive reinforcement, preferably a common consequence such as clapping as soon as (and whenever) the person moves toward the object or otherwise does what is required for the task. Warn students that they absolutely CANNOT use any punishment when this second volunteer does something wrong. When the volunteer acts inappropriately, the class remains completely silent. NO WORDS may be spoken at any time. The volunteer may remain in the class after completing the task.

3rd volunteer: The class will use a combination of positive reinforcement and punishment for this volunteer. The class will use the positive reinforcement consequence (e.g.. clapping) when the 3rd volunteer moves toward the object or otherwise does what the task requires. The class will use the punishment consequence (e.g.., call out “no!”) when the volunteer moves away from the object or otherwise does something wrong.

Step 3: Bring each volunteer into the class. After briefing the class, bring the first volunteer into the class. As the volunteer walks with you to the front of the class, simply say that they have a task to perform which they can begin at anytime. Then take a seat away from the center of attention or otherwise move away from the volunteer, who is standing at the front of the class. Repeat this introduction for the next two volunteers when the previous volunteer has completed the task or you have called a halt to his/her attempt to complete the task.

Step 4: Debrief the class. After all three volunteers have completed their tasks, you should ask each volunteer to recount his or her experiences.

Comments for Instructors

This is a very simple -- yet incredibly powerful -- exercise that works for almost any OB class -- from community colleges to older MBA students. Typically, the first volunteer describes a frustrating experience -- sometimes the person quits or thinks about giving up. The second volunteer has less frustration and actually relishes the applause while performing the relatively trivial task. (Notice the smile on the volunteer's face when he/she is being applauded for walking in the right direction or picking up the object.) The third volunteer typically has the least amount of frustration.

Similarly, keep track of the time for each volunteer to perform the task. The first is usually the longest and the last is usually the shortest time.

The class should discuss the implications of this exercise for motivation learning in organizations. Students can recount incidents at work where their supervisor would punish but rarely congratulate them. There are also plenty of incidences where employees receive minimal directions or role modeling in advance (as in this exercise), so reinforcement becomes critical for learning, not just motivation.

This exercise is also useful for discussing the value of feedback as well as the key features of goal setting (e.g. specific).

TEAM EXERCISE: BONUS DECISION EXERCISE

Purpose

This exercise is designed to help students understand the elements of equity theory and how people differ in their equity perceptions.

Instructions

Four managers in a large national insurance company are described below. The national sales director of the company has given your consulting team (first individually, then together) the task of allocating $100,000 in bonus money to these four managers. It is entirely up to your team to decide how to divide the money among these people. The only requirements are that all of the money must be distributed and that no two branch managers can receive the same amount. The names and information are presented in no particular order. You should assume that economic conditions, client demographics, and other external factors are very similar for these managers.

Step 1: Working alone, students are asked to read information about the four managers. Then they fill in the amount they would allocate to each manager in the "Individual Decision" column.

Step 2: Still working alone, students fill in the "Equity Inputs Form." First, in the "Input Factor" column, they list in order of importance the factors considered when allocating these bonus amounts (e.g. seniority, performance, age, etc.). The most important factor should be listed first and the least important last. Next, in the "Input Weight" column, students estimate the percentage weight that they assigned to this factor. The total of this column must add up to 100 percent.

Step 3: Form teams (typically 4 to 6 people). Each team will compare their results and note any differences. Then, for each job, team members will reach a consensus on the bonus amount that each manager should receive. These amounts will be written in the "Team Decision" column.

Step 4: The instructor will call the class together to compare team results and note differences in inputs and input weights used by individual students. The class will then discuss these results using equity theory.

Instructions (Large Class)

Step 1 and Step 2: Same as above.

Step 3: The instructor will ask students, by a show of hands (or use of classroom technology), to identify which manager would receive the highest bonus, then how much should be allocated to that manager. Repeat with the manager receiving the lowest bonus. (Some classroom technology allows students to directly indicate their bonus amount to that manager.) The class will then discuss these results using equity theory.

Bonus Decision Making Manager Profiles

Bob B. Bob has been in the insurance business for over 27 years and has spent the past 21 years with this company. A few years ago, Bob's branch typically made the largest contribution to regional profits. More recently, however, it has brought in few new accounts and is now well below average in terms of its contribution to the company. Turnover in the branch has been high and Bob doesn't have the same enthusiasm for the job as he once did. Bob is 56 years old and is married with five children. Three children are still living at home. Bob has a high school diploma as well as a certificate from a special course in insurance management.

Edward E. In the two years that Edward has been a branch manager, his unit has brought in several major accounts and now stands as one of the top units in the country. Edward is well respected by his employees. At 29, he is the youngest manager in the region and one of the youngest in the country. The regional director initially doubted the wisdom of giving Edward the position of branch manager because of his relatively young age and lack of experience in the insurance industry. Edward received an undergraduate business degree from a regional college and worked for five years as a sales representative before joining this company. Edward is single and has no children.

Lee L. Lee has been with this organization for seven years. The first two years were spent as a sales representative in the office that she now manages. According to the regional director, Lee rates about average as a branch manager. She earned an undergraduate degree in geography from a major university and worked as a sales representative for four years with another insurance company before joining this organization. Lee is 40 years old, divorced, and has no children. She is a very ambitious person but sometimes has problems working with her staff and other branch managers.

Sandy S. Sandy is 47 years old and has been a branch manager with this company for 17 years. Seven years ago, her branch made the lowest contribution to the region's profits, but this has steadily improved and is now slightly above average. Sandy seems to have a mediocre attitude toward her job but is well liked by her staff and other branch managers. Her experience in the insurance industry has been entirely with this organization. She previously worked in non-sales positions, and it is not clear how she became a branch manager without previous sales experience. Sandy is married and has three school-aged children. Several years ago, Sandy earned a diploma in business from a nearby community college by taking evening courses.

Comments for Instructors

I find it useful (in smaller classes of up to 8 teams) to post the results for each team in a chart (team numbers across the top and the four managers on the left side to form rows.) When the entire set of results are documented, ask participants to debate any variations across teams. The discussion should make students aware that it is very difficult to consider all of the employee inputs when allocating bonuses. Very likely, someone will feel that the process is unfair because different people assign different weights to these factors.

Where team members easily agree on factors, it is useful to remind them that (1) they are a relatively homogeneous group of business students (consensus may be more difficult if nonbusiness students are included in the teams), and (2) people from different cultures hold different values. For example, students from some African and Asian countries tend to have difficulty accepting a very high performance orientation.

The results of this exercise will vary from one team to the next, particularly if the class includes nonbusiness students and/or people from diverse cultural backgrounds. For example, the average distribution of bonus money in my classes has been approximately $17K, $37K, $23K, and $23K to Bob, Edward, Lee, and Sandy, respectively. However, the amount varies considerably. One team with a strong seniority-orientation allotted $43K, $19K, $28K, and $10K to the four managers, whereas another team with a strong performance orientation allotted $5K, $50K, $15K, and $30K.

SELF-ASSESSMENT: NEED STRENGTH QUESTIONNAIRE

Purpose
This self-assessment is designed to help students to estimate their level of need for achievement and need for social approval.

Overview and Instructions
Although everyone has the same innate drives, our secondary or learned needs vary based on our self-concept. This self-assessment provides an estimate of your need strength on selected secondary needs. Read each of the statements below and check the response that you believe best reflects your position regarding each statement. Then use the scoring key in Appendix B to calculate your results. To receive a meaningful estimate of your need strength, you need to answer each item honestly and with reflection to your personal experiences. Class discussion will focus on the meaning of the needs measured in this self-assessment as well as their relevance in the workplace.

Feedback for the Personal Needs Scale
This instrument includes two scales: achievement striving and need for social approval.

Achievement Striving
This scale, formally called "achievement striving," estimates the extent to which you are motivated to take on and achieve challenging personal goals. It includes a desire to perform better than others and to reach one's potential. This scale ranges from 0 to 28. How high or low is your need for achievement? The ideal would be to compare your score with the collective results of other students in your class. Otherwise, the following exhibit offers a rough set of norms for you to compare your score on this scale.

Score	Interpretation
24-28	High level of need for achievement
18-23	Above average level of need for achievement
12-17	Average level of need for achievement
6-11	Below average level of need for achievement
0-5	Low level of need for achievement

Need for Social Approval

The need for social approval scale estimates the extent to which your are motivated to seek favorable evaluation from others. Based on the drive to bond, the need for social approval is a secondary need in that people vary in this need based on their self-concept, values, personality, and possibly socialized social norms. This scale ranges from 0 to 32. How high or low is your need for social approval? The ideal would be to compare your score with the collective results of other students in your class. Otherwise, the following exhibit offers a rough set of norms for you to compare your score on this scale.

Score	Interpretation
28-32	High level of need for social approval
20-27	Above average level of social approval
12-19	Average level of need for social approval
6-11	Below average level of need for social approval
0-5	Low level of need for social approval