[Developing, Leading and Engaging People]

Lecture Title:

13. [Engaging People – Motivation Theories and Organisational Best Practices]

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Date: 1 September 2025 9.00hrs-13.00hrs

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Masters in
Human Resources Management

Learning Objectives

Following this session students will be able to:

- Critically explain the theories and general best practices adopted by organisations relating to motivation and engagement: *Maslow's Hierarchy of Needs; Herzberg's Two-Factor Theory; Equity Theory; Expectancy Theory. Best Practice include Regular Feedback and Recognition; Work-Life Balance; Professional Development Opportunities.*

- Critically analyse the related key motivation and engagement drivers within the organisation. *This includes evaluating factors such as: Leadership Style; Organisational Culture; Job Design; Employee Recognition and Reward Systems; Communication Channels; Work Environment; Personal Growth Opportunities.*

Learning Method

- **Lecture focused on learning objectives and core content** as a key instructional process.

- **Formative assessment through participative learning tools and activities** will be utilised evaluating students' comprehension and academic progress throughout - with respect to understanding and applying HRM concepts.

Employee Motivation and Engagement:

Theories and Best Practices - A Critical Explanation

Agenda

- Introduction to Motivation and Engagement
- **Content Theories of Motivation:**
- Maslow's Hierarchy of Needs
- Herzberg's Two-Factor Theory
- **Process Theories of Motivation:**
- Equity Theory
- Expectancy Theory
- General Best Practices for Organisations

What is Motivation & Engagement?

- **Motivation:** The driving force behind an individual's behavior. It's what makes people act.

- **Engagement:** The level of commitment, enthusiasm, and energy a person has for their work.

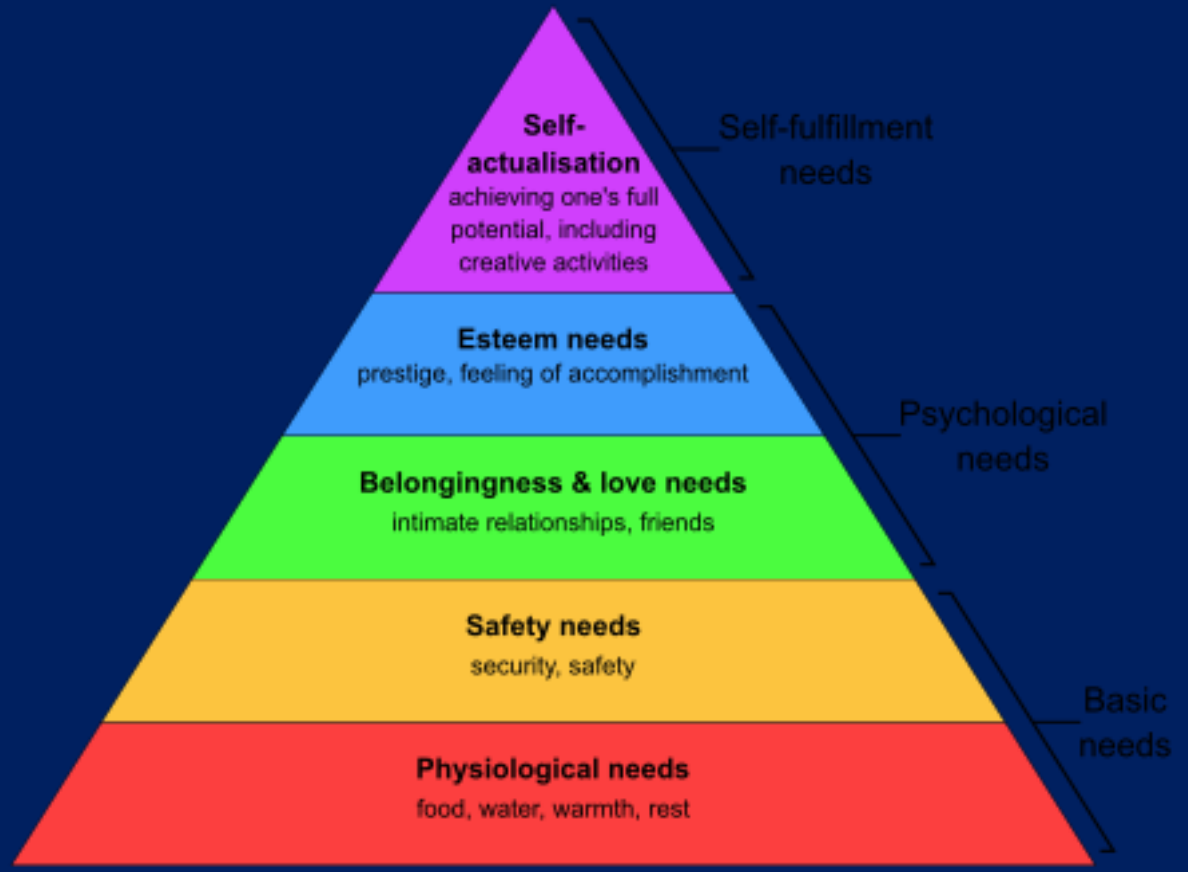
- **Why they matter:** High motivation and engagement lead to increased productivity, job satisfaction, and retention.

Content Theories of Motivation

Maslow's Hierarchy of Needs

- **Theory Overview:** Abraham Maslow's theory suggests that people are motivated to fulfill a hierarchy of needs, starting from the most basic.
- **The Five Levels:**
  - **Physiological Needs:** Basic survival needs (e.g., food, water, shelter).
  - **Safety Needs:** Security and stability (e.g., job security, safe work environment).
  - **Social Needs:** Belonging and affection (e.g., teamwork, positive relationships).
  - **Esteem Needs:** Self-worth and recognition (e.g., praise, promotions).
  - **Self-Actualisation:** Fulfilling one's potential (e.g., challenging work, creative freedom).

Maslow's Hierarchy of Needs



Maslow - Critical Explanation

- **Strengths:** Simple, intuitive model. Highlights that different people have different needs.

- **Weaknesses:** Not everyone follows this rigid hierarchy. Cultural differences can impact the order of needs. It's a general framework, not a precise formula.

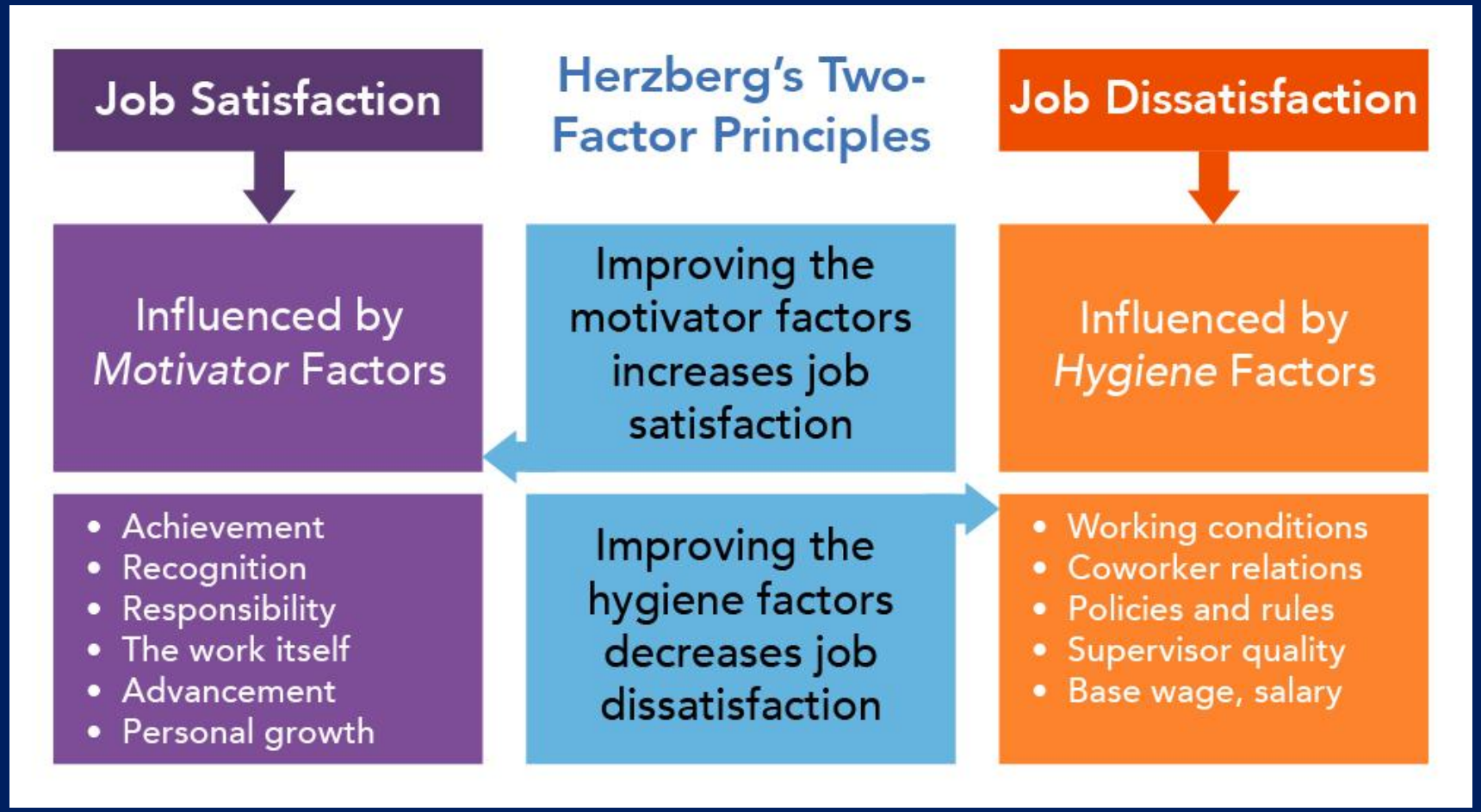
- **Organisational Application:** Organisations must address lower-level needs before expecting employees to be motivated by higher-level ones.

Herzberg's Two-Factor Theory

- **Theory Overview:** Frederick Herzberg proposed that job satisfaction and dissatisfaction are caused by two different sets of factors.

- **Hygiene Factors (Dissatisfaction):**
  - Company policies, supervision, salary, job security, working conditions.
  - Presence of these factors doesn't motivate, but their absence causes dissatisfaction.

- **Motivators (Satisfaction):**
  - Achievement, recognition, responsibility, advancement, personal growth.
  - These factors actively lead to satisfaction and motivation.


Job Satisfaction
Herzberg's Two-Factor Principles
Job Dissatisfaction
Influenced by *Motivator* Factors
Improving the motivator factors increases job satisfaction
Influenced by *Hygiene* Factors
• Achievement
• Recognition
• Responsibility
• The work itself
• Advancement
• Personal growth
Improving the hygiene factors decreases job dissatisfaction
• Working conditions
• Coworker relations
• Policies and rules
• Supervisor quality
• Base wage, salary

Herzberg - Critical Explanation

- **Strengths:** Differentiates between factors that prevent dissatisfaction and those that create satisfaction. Emphasises the importance of job content over just the environment.

- **Weaknesses:** Relies on self perception, which can be biased. The line between hygiene and motivator factors isn't always clear-cut.

- **Organisational Application:** To motivate employees, focus on motivators like providing opportunities for growth and recognition, not just hygiene factors.

- **On Content Theories of Motivation (e.g., Maslow's Hierarchy and Herzberg's Two-Factor Theory):**

- The authors present content theories as foundational frameworks that focus on the specific needs that motivate people.
- They assert that understanding these needs is crucial for managers because it allows them to create a work environment and reward system that satisfies employees, thereby encouraging high performance.
- A central idea is that an unsatisfied need creates a tension that a person seeks to resolve, thus driving their behavior toward a goal.

(Armstrong, M., Taylor, S., 2020)

Process Theories of Motivation

Equity Theory

- Theory Overview: Developed by J. Stacey Adams, this theory suggests that employees are motivated by fairness.
- They compare their inputs (effort, time, skill) and outcomes (salary, recognition) to those of others.
- The Equation: Outcomes (Self) / Inputs (Self) compared to Outcomes (Other) / Inputs (Other).
- Inequity: If an employee perceives their ratio is unequal to their peers, it creates tension and they are motivated to restore equity.

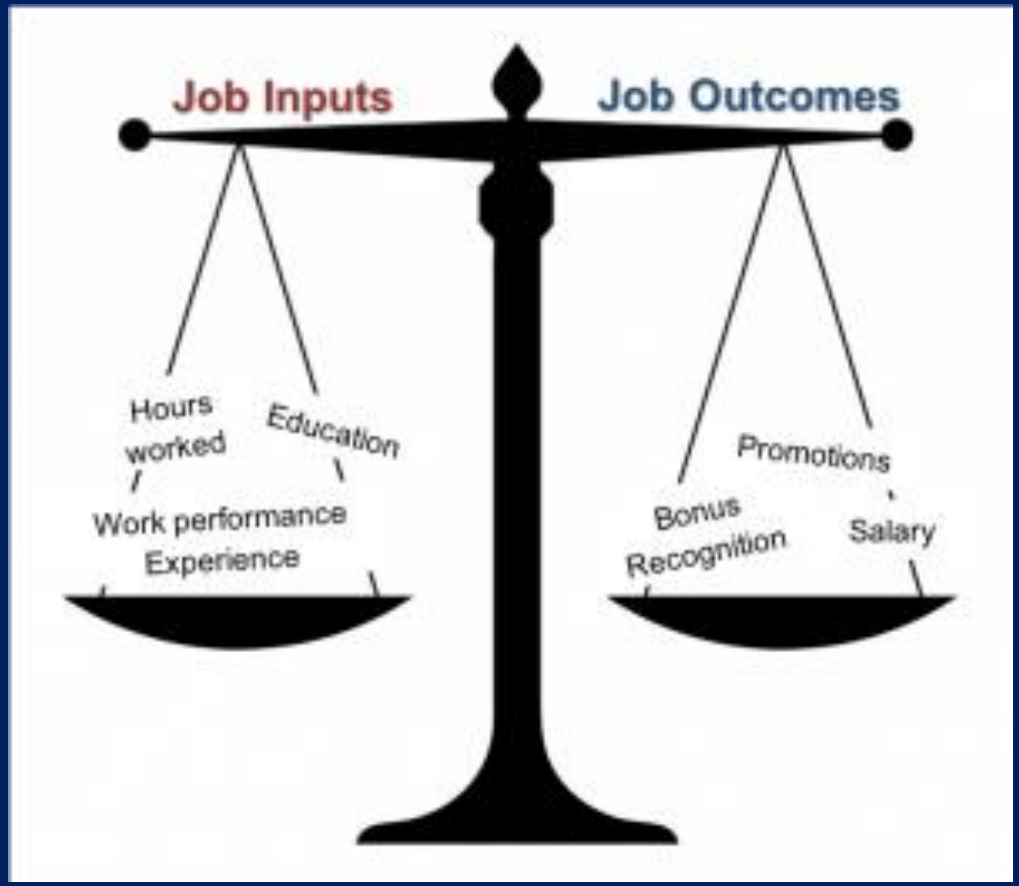
Equity Theory - Critical Explanation

- **Strengths:** Explains why salary alone isn't enough to motivate. Highlights the importance of transparency and fairness in reward systems.

- **Weaknesses:** The 'other' person is often a subjective perception. It's difficult to quantify all inputs and outcomes.

- **Organisational Application:** Ensure compensation and rewards are perceived as fair and transparent. Avoid favouritism and be open about how decisions are made.

Equity Theory



- Equity theory suggests that people are motivated to maintain **fairness** in their relationships.
- In a workplace context, this means employees compare their ratio of inputs (e.g., effort, time, skills) to outcomes (e.g., pay, recognition, benefits) with the ratio of a referent other.
- When an employee perceives their ratio as equal to the referent's, they feel a sense of fairness and are motivated.
- However, if they perceive an imbalance, they experience distress, which motivates them to restore equity.

Case study – Putting into practice

- **Case Study: The Unequal Bonuses** ⚖️

- **Scenario**
- Sarah and Mark are two highly skilled software engineers on the same team at "Innovate Tech." They both have five years of experience, similar educational backgrounds, and consistently receive positive performance reviews. They've recently worked together on a critical project, "Project Phoenix," which was a huge success and significantly boosted the company's revenue.

- At the end of the fiscal year, management decides to award bonuses for outstanding performance. Sarah receives a bonus of $10,000, while Mark, despite their similar contributions, receives a bonus of $15,000. Sarah finds out about the bonus difference through a casual conversation with Mark.

- Sarah's **inputs** for Project Phoenix were similar to Mark's. She put in long hours, solved complex coding problems, and worked weekends to meet deadlines. Her **outcomes** included her regular salary, praise from her manager, and the $10,000 bonus.

- Mark's **inputs** were also similar: he put in the same long hours, contributed to problem-solving, and met deadlines. His **outcomes** were his regular salary, praise from his manager, and the $15,000 bonus.

Formative Assessment

- **Question 1:**
- How would Sarah perceive this situation based on Equity Theory?

- **Question 2:**
- What are the potential actions Sarah might take to restore equity?

- **Question 3:**
- From a management perspective, what is the best way to address this situation proactively?

Formative Assessment

Question 1:

- How would Sarah perceive this situation based on Equity Theory?

- According to Equity Theory, Sarah would perceive a state of inequity. She would calculate her input-to-outcome ratio and compare it to Mark's.

- Since their inputs are perceived as equal, but her outcomes (specifically the bonus) are lower, she would feel a sense of unfairness.

Question 2: What are the potential actions Sarah might take to restore equity?

- To restore a sense of fairness, Sarah might take one or more of the following actions:
- Alter her inputs: She might reduce her effort on future projects by working fewer hours, taking longer breaks, or not going above and beyond.
- Alter her outcomes: She might ask her manager for a raise or a higher bonus, or seek a new job with a better compensation package to increase her outcomes.
- Cognitively distort inputs or outcomes: Sarah might try to mentally rationalize the situation. For example, she might convince herself that Mark's contributions were more significant than hers, or that her bonus was "good enough" given the company's financial state.
- Change the referent: She might stop comparing herself to Mark and instead compare her situation to other colleagues she perceives as having lower inputs or outcomes.
- Leave the field: In a more extreme case, if the perceived inequity is severe and unresolvable, Sarah might choose to leave her job at Innovate Tech.

Question 3:From a management perspective, what is the best way to address this situation proactively?

- Proactive management should focus on transparency, fairness, and clear communication.
- Transparent compensation policy: Have a clear and well-communicated policy on how bonuses and raises are determined. If bonuses are based on specific metrics or individual contributions, employees should know what those are.
- Performance-based justification: If a pay disparity exists, it should be justifiable based on clear performance metrics. Management should be prepared to explain the rationale behind the differential.
- Fairness in practice: Ensure that the metrics used to determine outcomes are applied consistently across the board to avoid actual inequity. If two employees have the same inputs, their outcomes should be proportionate.

Expectancy Theory

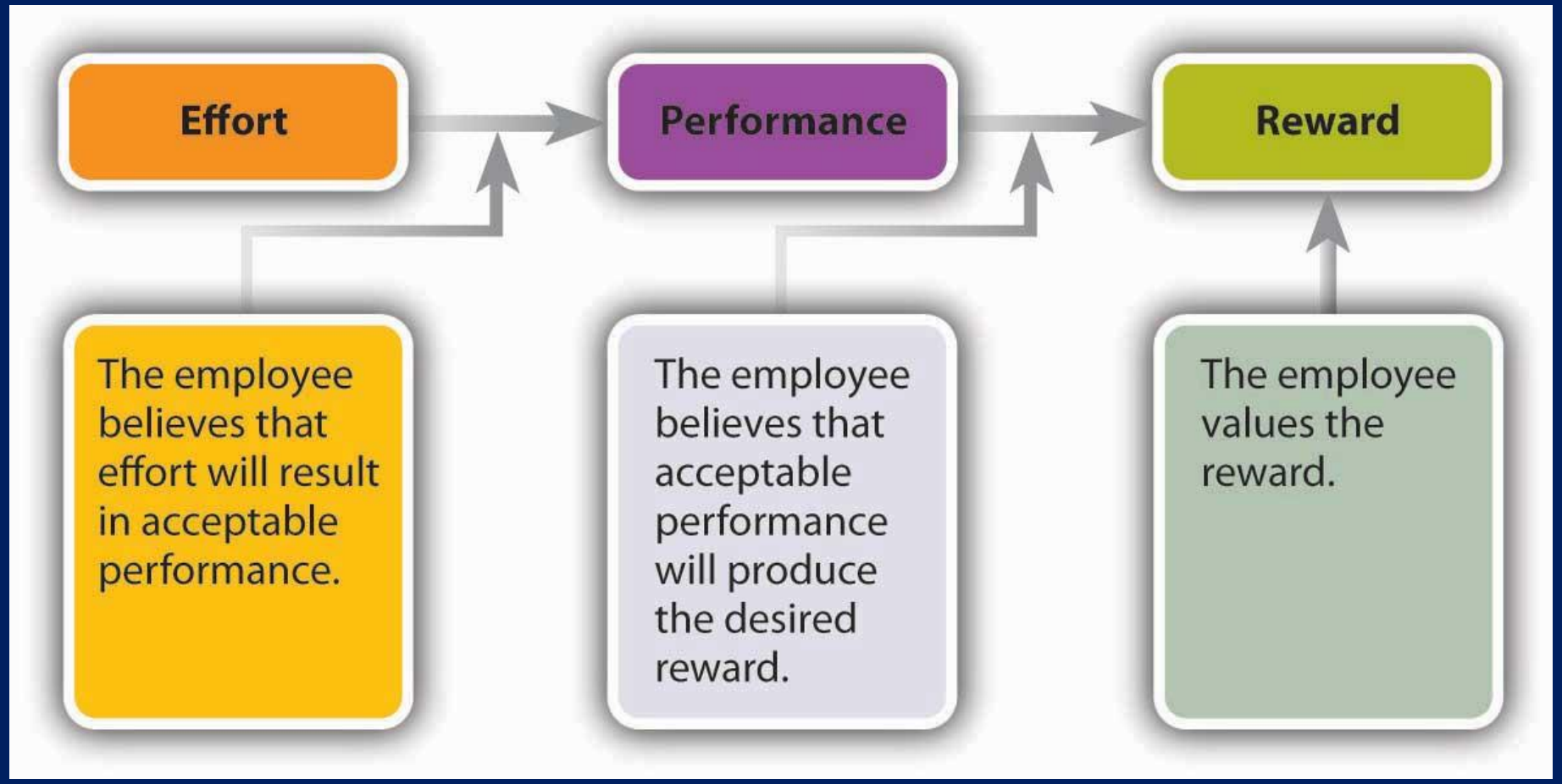
- Theory Overview: Victor Vroom's theory states that people are motivated if they believe their effort will lead to a desired outcome.

- Three Key Elements:

- Expectancy (Effort-Performance): Will my effort lead to better performance?
- Instrumentality (Performance-Outcome): Will my performance lead to a reward?
- Valence (Outcome-Desirability): Do I value the reward?

- *Motivation Equation: Motivation = Expectancy x Instrumentality x Valence.*

Expectancy Theory



Victor Vroom’s Expectancy Theory Explained

- https://www.youtube.com/watch?v=BMyzpNi4_ec

Expectancy Theory - Critical Explanation

- **Strengths:** Very practical and task-oriented. It's a cognitive model that allows for individual differences in expectations and values.

- **Weaknesses:** It can be overly rational. It assumes people are logical in their decisions, which isn't always true.

- **Organisational Application:** Link effort directly to performance, and performance directly to valued rewards. Make expectations and outcomes clear.

- On Process Theories of Motivation (e.g., Expectancy and Equity Theory):

- The authors contrast content theories with process theories, which focus on the psychological processes and cognitive choices people make regarding their motivation.

- They argue that these theories provide a more dynamic and actionable view of motivation, emphasizing that people are motivated by their perceptions of fairness and their expectations that effort will lead to a desired reward.

- This suggests that managers must not only offer rewards but also ensure that the reward systems are perceived as equitable and achievable.

(Armstrong, M., Taylor, S., 2020)

General Best Practices - Introduction

- Theory provides the "why," best practices provide the "how.“
- These are practical strategies that organisations can adopt to boost motivation and engagement, drawing from the principles of the theories we've discussed.

Best Practice 1: Regular Feedback and Recognition

- **What it is:** Providing timely, constructive feedback and acknowledging good work.

- **Links to Theory:**
  - **Maslow:** Addresses Esteem Needs.
  - **Herzberg:** Recognition is a key motivator.
  - **Equity:** Recognition is a valued 'outcome' that contributes to fairness.

- **How to implement:** Implement a culture of regular one-on-one meetings, use praise publicly and privately, and create a formal recognition programme.

Best Practice 2: Work-Life Balance

- What it is: Creating a supportive environment that allows employees to manage their professional and personal lives.

- Links to Theory:
- Maslow: Addresses Safety and Social Needs by reducing stress and fostering a supportive culture.
- Herzberg: Good work-life balance can be a hygiene factor, preventing dissatisfaction.

- How to implement: Offer flexible working hours, remote work options, generous leave policies, and encourage employees to 'switch off' after hours.

Best Practice 3: Professional Development Opportunities

- **What it is:** Providing employees with opportunities to learn new skills and grow in their careers.

- **Links to Theory:**
  - **Maslow:** Addresses Self-Actualisation needs.
  - **Herzberg:** Advancement and personal growth are core motivators.
  - **Expectancy:** Employees see that their efforts in learning can lead to valued outcomes like promotion or better projects.

- **How to implement:** Offer training courses, mentorship programs, tuition reimbursement, and opportunities for cross-functional projects.

Putting it all together

- **Maslow:** Creates the foundation by ensuring basic needs are met.
- **Herzberg:** Focuses on job design to create satisfaction, not just prevent dissatisfaction.
- **Equity:** Ensures fairness in the system.
- **Expectancy:** Ensures a clear line of sight between effort, performance, and reward.

- **Best Practices:**
- These are the practical tools to apply the theories.

Conclusion

- Motivation theories provide a framework for understanding what drives human behaviour.
- Best practices are the practical application of these theories.
- A holistic approach, using elements from all theories and best practices, is most effective.
- Organisational success is intrinsically linked to the motivation and engagement of its people.
- Understanding these theories is the first step to building a thriving, productive workplace.
- The key is to create a culture where employees feel valued, fairly treated, and have opportunities to grow.

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- Critical Analysis of Motivation and Engagement Drivers

- Evaluating Key Organisational Factors

Agenda

- Introduction: Bridging Theory and Practice
- Leadership Style
- Organisational Culture
- Job Design
- Employee Recognition and Reward Systems
- Communication Channels
- Work Environment
- Personal Growth Opportunities
- Critical Synthesis & Conclusion

Introduction: Bridging Theory & Practice

- **The Challenge:** How do we move from understanding motivation theories (Maslow, Herzberg, etc.) to creating a highly motivated workforce?

- **The Solution:** By critically analysing the practical drivers within our own organisation.

- **Critical Analysis:** We will evaluate the strengths and weaknesses of each driver in fostering motivation and engagement.

Leadership Style

- Overview: The way a leader interacts with, guides, and directs their team.
- Impact on Motivation: A supportive and empowering leadership style (e.g., servant leadership) fosters autonomy, trust, and a sense of belonging (Maslow's Social Needs). A more authoritarian style can demotivate and create a fear-based culture.
- Critical Lens: While an empowering style is often preferred, a situational approach is key. Sometimes, in a crisis, a more directive style is needed. The best leaders adapt.

Organisational Culture

- **Overview:** The shared values, beliefs, and behaviours that shape the social and psychological environment of an organisation.

- **Impact on Motivation:** A culture of psychological safety, collaboration, and respect can significantly boost engagement. A toxic culture, characterized by blame and fear, is a major demotivator (Herzberg's Hygiene Factors).

- **Critical Lens:** Culture is hard to change and is often an invisible force. It must be actively shaped by leadership actions, not just mission statements.

Job Design

- Overview: The way in which tasks are combined to form complete jobs.

- Impact on Motivation: A well-designed job provides variety, autonomy, significance, and clear feedback. These elements are core to Herzberg's Motivators (achievement, responsibility, growth). A poorly designed job is repetitive and lacks meaning.

- Critical Lens: Job design should be flexible. What's engaging for one employee might be stressful for another. Organisations must allow for some personalization and job crafting.

Employee Recognition & Reward Systems

- Overview: The formal and informal ways an organisation acknowledges and compensates employees.
- Impact on Motivation: Recognition (e.g., praise, awards) directly addresses Esteem needs (Maslow) and is a primary motivator (Herzberg). Reward systems must be perceived as fair and equitable to prevent demotivation (Equity Theory).
- Critical Lens: A recognition system must be genuine and timely. A generic, "one-size-fits-all" approach to rewards can feel inauthentic. The link between performance and reward must be clear (Expectancy Theory).

Communication Channels

- Overview: The methods used to share information, from formal meetings to informal chats.
- Impact on Motivation: Transparent, open, and regular communication builds trust and reduces uncertainty, addressing Safety needs (Maslow). It ensures employees have the information they need to succeed and feel connected.
- Critical Lens: The quality of communication is more important than the quantity. Leaders must be skilled communicators who listen as much as they talk. Communication should be a two-way street.

Work Environment

- Overview: The physical and social setting of the workplace.
- Impact on Motivation: A safe, comfortable, and well-equipped physical environment is a key hygiene factor (Herzberg). A positive social environment, fostering strong relationships, addresses Social needs (Maslow).
- Critical Lens: The shift to remote and hybrid work has redefined the "work environment." Organisations must now focus on creating both a supportive physical space and a strong virtual connection.

Personal Growth Opportunities

- Overview: The availability of training, development, and career advancement.
- Impact on Motivation: This is a powerful driver of motivation as it directly addresses Self-Actualisation (Maslow) and is a core motivator (Herzberg). It also strengthens the link between effort and desired outcomes (Expectancy Theory).
- Critical Lens: These opportunities must be accessible to all employees, not just a select few. The organisation must be willing to invest in its people, and the opportunities must be relevant to both the employee's goals and the organisation's needs.

Critical Synthesis: Interconnected Drivers

- Synergy: These drivers are not independent. They are deeply interconnected.
- Example: A positive Organisational Culture is a direct result of a supportive Leadership Style and open Communication Channels.
- Holistic Approach: You can't fix one driver in isolation. A truly engaged workforce requires a holistic approach that addresses all these factors.

Conclusion & Best Practices

- The takeaway: Effective leaders don't just hope for motivation; they actively design the organisational environment to foster it.

- Key Actions:
- Be a Role Model: Lead by example with an empowering style.
- Be Deliberate: Consciously build and reinforce a positive culture.
- Be Flexible: Design jobs and work environments that adapt to individual needs.
- Be Transparent: Ensure recognition, rewards, and communication are fair and clear.
- Invest in People: Offer genuine opportunities for growth.

References

- Armstrong, M., Taylor, S., 2020. Armstrong's Handbook of Human Resource Management Practice.15th ed. London: Kogan Page.

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