# Business Skills and Performance Management

## Lecture Title:
## Drivers of Individual and Team Performance

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Masters in
Human Resources Management

# Learning Objectives

- Critically evaluate motivational theories and their application to employee performance

- Analyse trends affecting productivity (wellbeing, hybrid work, engagement)

- Propose strategies to improve individual and team effectiveness

# Group Discussion

"Think of a leader who has influenced you—what made them effective?"

# Learning Objectives

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# Group Discussion

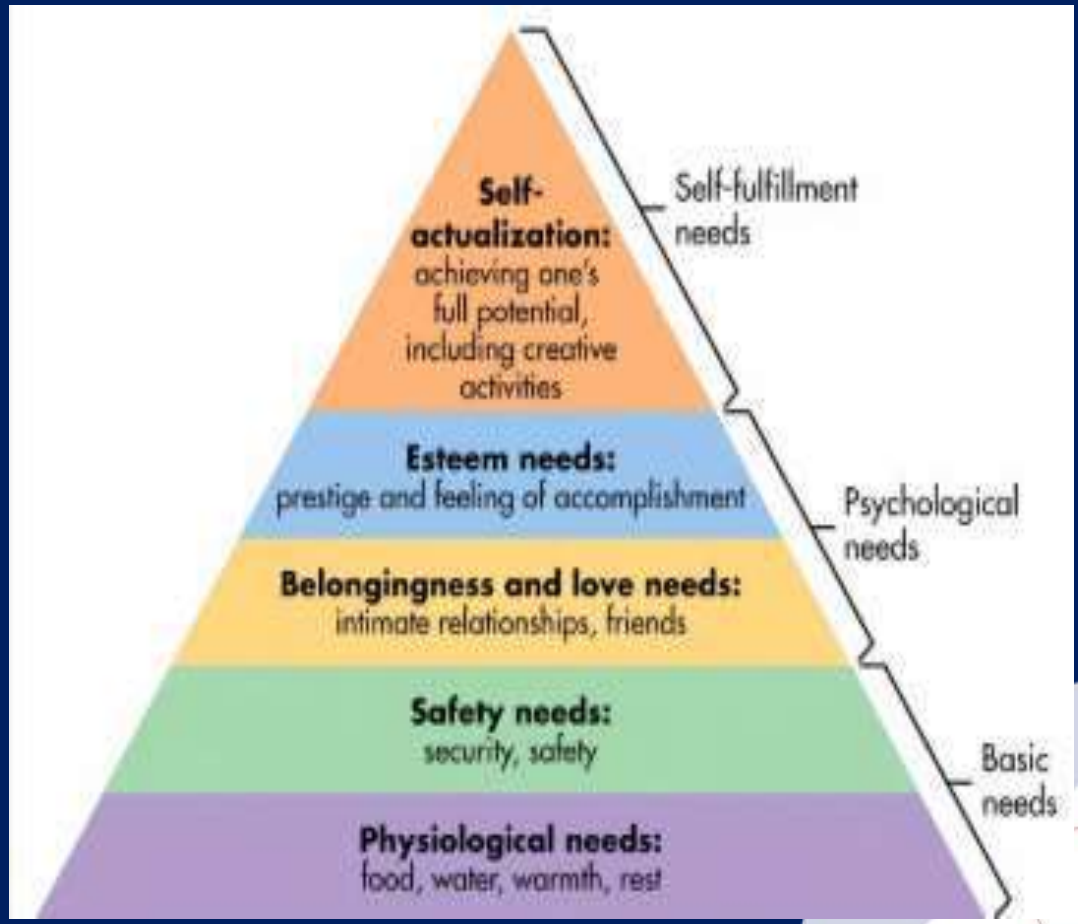
"Do you think people are motivated more by personal goals (grades, career prospects, skills) or by social factors (peer approval, collaboration, recognition)? Why?"

# Critical Evaluation of Motivation Theories

# Maslow's Hierarchy of Needs

- **Core Idea:** Needs arranged in hierarchy — physiological → safety → belonging → esteem → self-actualisation.

- **Application to work:** Employers often assume people are motivated by pay (physiological/safety), but higher-level motivators (recognition, growth) often matter more for engagement.



# Strengths of Maslow's Hierarchy of Needs

| Strength | Explanation |
|---|---|
| Simple & Accessible | Easy to understand, widely applied in work & life |
| Intuitive Appeal | Matches common experience: basics first, growth later |
| Holistic Approach | Covers both physical and psychological needs |
| Influence on HR & Management | Inspired later motivation theories and practices |
| Practical Utility | Helps managers consider different motivators for different employees |

# Criticism of Maslow's Hierarchy of Needs

| Criticism | Explanation |
|---|---|
| Weak Evidence | No strong empirical proof of strict hierarchy |
| Rigid Structure | People often pursue multiple needs at once |
| Cultural Bias | Western focus; collectivist cultures may prioritise belonging |
| Ignores Individual Differences | Not all people follow the same order of needs |
| Limited Workplace Relevance | Less useful in modern/gig work or crisis contexts |

# Herzberg's Two - Factor Theory

- **Core Idea:** Hygiene factors prevent dissatisfaction but don't motivate.

  Motivators drive satisfaction and performance.

- **Application to work:** Suggests employers should invest in job enrichment, not just pay raises.

# Strengths of Herzberg's Two-Factor Theory

| Strength | Explanation |
|---|---|
| Emphasises Intrinsic Motivation | Focuses on achievement, growth, and responsibility |
| Practical for Job Design | Leads to job enrichment and empowerment approaches |
| Empirical Basis | Grounded in employee interviews and observations |
| Influenced Later Theories | Informed SDT and the Job Characteristics Model |
| Positive View of Workers | Sees employees as self-motivated, not just pay-driven |

# Criticism of Herzberg's Two-Factor Theory

| Criticism | Explanation |
|---|---|
| Method Bias | Self-reporting may distort results (self-serving bias) |
| Too Simplistic | Some factors can both satisfy and dissatisfy |
| Not Universal | Ignores cultural and individual differences |
| Limited to Skilled Jobs | Harder to apply in routine or gig roles |
| Outdated Context | Modern workers often value flexibility and pay equally |

# Vroom's Expectancy Theory

- **Core Idea:** Effort → Performance → Outcome. Motivation depends on three beliefs:
- **Expectancy:** "If I try, I can perform."
- **Instrumentality:** "If I perform, I'll be rewarded."
- **Valence:** "Do I value the reward?"

- **Application to work:** Very adaptable to performance management systems, bonuses, and promotions

# Strengths of Vroom's Expectancy Theory

| Strength | Explanation |
|---|---|
| Logical Framework | Offers a clear, structured model of motivation |
| Individualised Approach | Recognises that people value rewards differently |
| Practical Use in HR | Helps design fair performance and reward systems |
| Flexible & Adaptable | Applies across different jobs and organisations |
| Highlights Fairness | Emphasises the need for trust in reward systems |

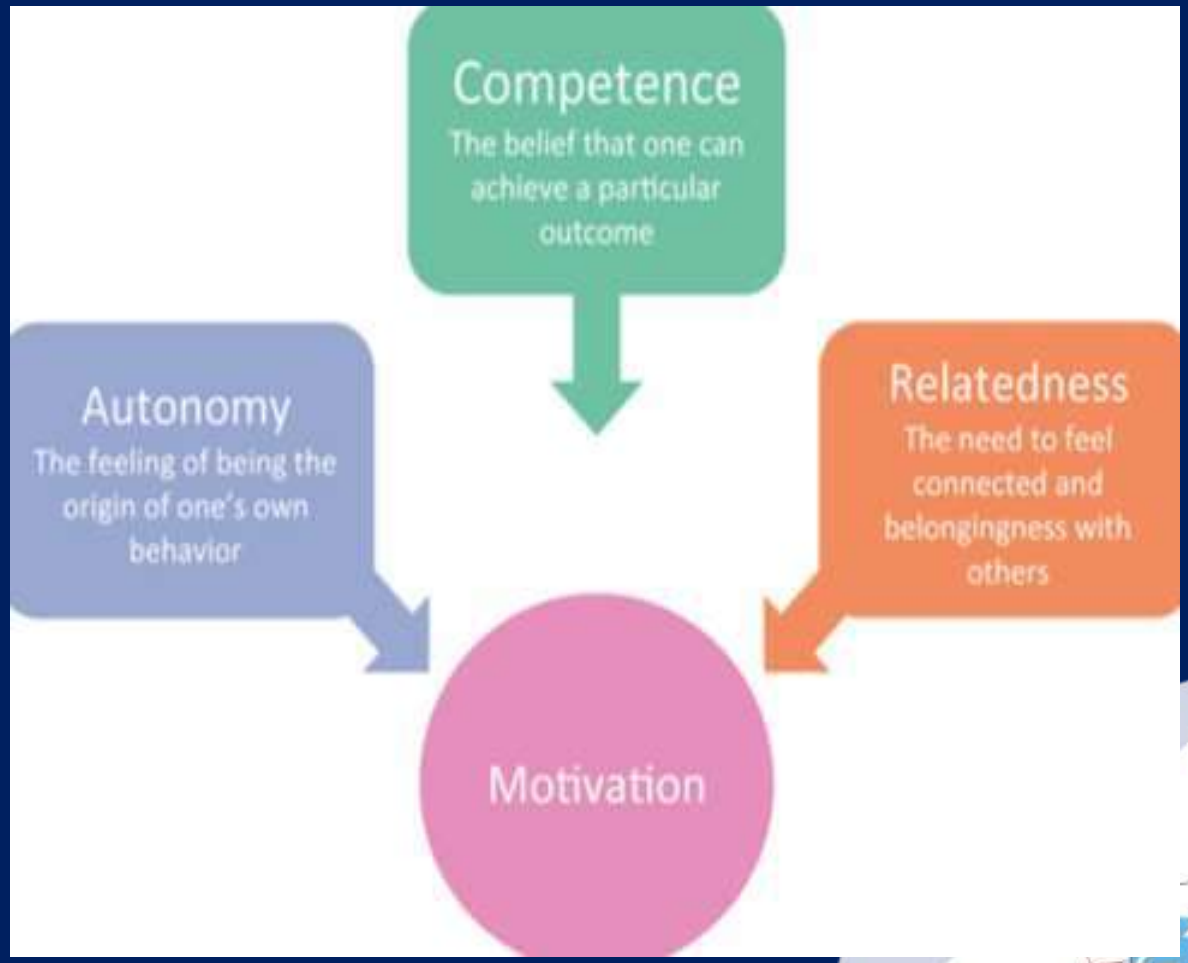
# Criticism of Vroom's Expectancy Theory

| Criticism | Explanation |
|---|---|
| Overly Rational | Ignores emotional and social aspects of motivation |
| Hard to Measure | Variables like expectancy and valence are subjective |
| Focus on Extrinsic Rewards | Neglects intrinsic motivation (e.g., purpose) |
| Assumes Stable Systems | Less effective in uncertain or creative jobs |
| Cultural Limits | Not always suited to collectivist or non-profit contexts |

# Self-Determination Theory (SDT) Theory

- **Core Idea:** People are most motivated when three needs are satisfied:
- Autonomy (control over work)
- Competence (ability to master tasks)
- Relatedness (connection to others)

- **Application to work:** Explains why intrinsic motivation (purpose, mastery, contribution) can outperform extrinsic (pay, status).



# Strengths of Self-Determination Theory

| Strength | Explanation |
|---|---|
| Well-Researched & Validated | Supported by strong empirical evidence |
| Focus on Intrinsic Motivation | Explains engagement beyond pay or rewards |
| Holistic & Humanistic | Sees people as active, growth-seeking |
| Practical for Modern Work | Fits hybrid work and empowerment models |
| Sustainable Motivation | Builds long-term commitment and wellbeing |
| Culturally Flexible | Core needs found across different cultures |

# Criticism of Self-Determination Theory

| Criticism | Explanation |
| --- | --- |
| Hard to Apply in All Jobs | Autonomy not always possible in structured roles. |
| Downplays Extrinsic Motivation | Ignores power of pay, bonuses, or recognition. |
| Measurement Challenges | Needs like autonomy are subjective and hard to assess. |
| Cultural Variability | Autonomy less emphasised in collectivist contexts. |
| Idealistic View of People | Assumes everyone seeks growth and self-direction. |

# Theory Comparison & Implementation

"If you had to motivate employees in a start-up vs a traditional factory, which theory would you use — and why?"

| Theory | Strengths | Weaknesses | Application Today |
|---|---|---|---|
| Maslow | Easy to understand | Not evidence-based, culturally biased | Explains *why* needs differ across employee groups |
| Herzberg | Distinguishes satisfaction vs dissatisfaction | Oversimplifies pay's role | Guides job design (enrichment vs hygiene) |
| Vroom | Flexible, logical | Assumes rationality, trust in system | Explains performance-based rewards |
| SDT | Strong modern evidence, aligns with knowledge work | Harder to implement in low-autonomy jobs | Explains engagement in hybrid/creative work |

# Group Exercise

- Refer to the worksheet provided
- Apply the assigned theory to a student motivation context.
- Using the same theory explain how this can be applied to a workplace scenario.
- Present discussion to the rest of the class.

(40 mins)

# Group Exercise

**Group 1 -**

- **Theory - Maslow's Hierarchy of Needs**

- **Student Context –**

**Preparing for exams**

- **Workplace Context –**

**Preparing an important investment plan presentation for the CEO**

# Group Exercise

## Group 2 -

- **Theory - Herzberg's Two Factor Theory**

- **Student Context –**

  **Working on a group project**

- **Workplace Context –**

  **Directing a start up team under pressure**

# Group Exercise

**Group 3 -**

- **Theory - Vroom's Expectancy Theory**
- **Student Context –**
  **Balancing part-time work and studies**
- **Workplace Context –**
  **You are working in a government office where tasks are structured, outcomes are bureaucratic, and promotions or bonuses are often slow or limited.**

# Group Exercise

**Group 4 -**

- **Theory - Self-Determination Theory**

- **Student Context –**

  **Final year project**

- **Workplace Context –**

  **A software engineering team works partly from home and partly in the office. They must develop innovative solutions while collaborating remotely with cross-functional colleagues.**

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# Contemporary Trends in Productivity

# Group Discussion

## What are the biggest challenges to productivity today?

## (Think about multi level productivity - individual, team, and organizational levels)

# Contemporary Challenges to Productivity

| Challenge | Description | Example / Impact | Reference / Source |
|---|---|---|---|
| Employee Wellbeing & Burnout | Stress, fatigue, mental health issues reduce focus and decision-making | Remote workers feeling "always on," leading to cognitive fatigue | WHO, CIPD 2022, HBR 2021 |
| Hybrid / Remote Work Dynamics | Coordination gaps, digital presenteeism, autonomy vs oversight | Hybrid teams struggle with misaligned schedules and reduced informal knowledge sharing | McKinsey 2023, CIPD 2022 |
| Employee Engagement & Motivation | Disengagement, lack of recognition, shifts in expectations post-pandemic | Low discretionary effort, higher turnover; Gallup reports 21% higher profitability in engaged teams | Gallup 2022, HBR 2021 |

# Contemporary Challenges to Productivity

| Challenge | Description | Example / Impact | Reference / Source |
|---|---|---|---|
| Technological Overload | Information fatigue, ineffective tools, learning curve challenges | Constant notifications fragment attention; new tools slow workflows initially | HBR 2021, McKinsey 2023 |
| Organizational & Leadership Factors | Poor communication, ineffective leadership, rigid structures | Confusion over goals, lack of support reduces team cohesion | Edmondson 1999, CIPD 2022 |
| Societal / Environmental Factors | Economic uncertainty, global collaboration, pandemic aftereffects | Cross-time-zone work complicates coordination; fatigue reduces adaptability | McKinsey 2023, HBR 2021 |

# Group Discussion – Employee Wellbeing & Burnout

1. How can chronic stress or burnout prevent employees from progressing beyond basic physiological and safety needs (**Maslow**)?
2. Which hygiene factors might be contributing to dissatisfaction and burnout (**Herzberg**)?
3. How does burnout affect an individual's belief that effort will lead to performance or that performance will be rewarded (**Vroom**)?
4. In what ways does burnout undermine autonomy, competence, or relatedness (**Self-Determination Theory**)?

# Group Discussion – Hybrid / Remote Work Dynamics

1. Does remote work satisfy or threaten belonging and esteem needs (**Maslow**)?
2. Which hygiene and motivator factors have changed in hybrid work environments (**Herzberg**)?
3. How might hybrid work affect perceptions of fairness and reward visibility (**Vroom**)?
4. How can leaders sustain relatedness and competence in distributed teams (**Self-Determination Theory**)?

# Group Discussion – Employee Engagement & Motivation

1. Which levels of **Maslow's hierarchy** are most relevant to maintaining engagement?
2. How can extrinsic incentives be transformed into intrinsic motivators (**Herzberg**)?
3. How do clarity about rewards and expectations influence engagement (**Vroom**)?
4. Which **Self Determination Theory** needs (autonomy, competence, relatedness) are most critical post-pandemic?

# Group Discussion – Tehnological Overload

1. How does constant connectivity affect psychological safety and belonging (**Maslow**)?
2. Are digital tools hygiene factors or motivators (**Herzberg**)?
3. How does technology impact perceptions of effort-to-performance efficiency (**Vroom**)?
4. How can digital work environments support autonomy and competence (**Self Determination Theory**)?

# Group Discussion – Organisational & Leadership Factors

1. How does leadership style influence satisfaction of higher-level needs (Maslow)?
2. How can leaders reduce dissatisfaction (Herzberg hygiene) while building motivation (Herzberg motivators)?
3. How can transparent leadership improve expectancy and instrumentality (Vroom)?
4. What leadership behaviors best support autonomy, competence, and relatedness (Self Determination Theory)?

# Group Discussion – Societal/Environmental Factors

1. How do uncertainty and instability affect progression through **Maslow's hierarchy?**
2. How do external factors like job security or company policy act as hygiene factors (**Herzberg**)?
3. How do societal changes (AI, sustainability) shift what employees value (**Vroom valence**)?
4. How can organizations nurture intrinsic motivation when external control is limited (**Self Determination Theory**)?

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# Strategies for Enhancing Individual & Team Effectiveness

# Group Discussion –

“Imagine you’re leading a small company. Your employees are skilled and motivated, but performance is inconsistent.

What do you think might be getting in the way — the people, the structure, or the systems?”

Effective performance depends on:

**Individuals** – skills, motivation, and opportunities
**Teams** – structure, roles, and relationships
**Organisations** – leadership, culture, and support systems

The following frameworks guide leaders on enhancing Individual and Team Effectiveness.

# Hackman's Team Effectiveness Model



**This model is based on the concept that team effectiveness is determined by five key conditions that enable sustained performance and member growth.**

| Condition | Description | Example / Application |
|---|---|---|
| 1. Real Team | The team has clear boundaries, identifiable members, and interdependent tasks | A software development team where members rely on each other to complete modules |
| 2. Compelling Direction | The team has a clear, challenging, and consequential goal that motivates members | A research team tasked with developing an innovative solution for a client by a set deadline |
| 3. Enabling Structure | The team has a well-designed structure, roles, and norms that support collaboration | Defined roles (developer, designer, QA) and agreed-upon workflows in a hybrid project team |
| 4. Supportive Context | The team has access to resources, information, training, and rewards necessary to perform | Provision of software tools, mentorship, data access, and recognition systems for performance |
| 5. Expert Coaching | The team receives timely guidance, feedback, and interventions when needed | A team leader or coach provides feedback on progress, resolves conflicts, and helps overcome obstacles |

# Tuckman's Stages of Team Development



**This model is based on the concept that teams evolve through specific stages of conflict and cohesion which will affect their effectiveness.**

| Stage | Description | Typical Behaviors / Challenges |
|---|---|---|
| **1. Forming** | Team comes together and learns about the task and each other | Polite interactions, uncertainty about roles, dependence on leader for guidance |
| **2. Storming** | Conflicts arise as team members assert ideas and negotiate roles | Power struggles, disagreements, competition, frustration |
| **3. Norming** | Team establishes agreed norms, roles, and collaboration patterns | Cooperation increases, team identity forms, trust develops |
| **4. Performing** | Team operates efficiently toward goals with high autonomy | High productivity, problem-solving, innovation, strong cohesion |
| **5. Adjourning (or Mourning)** | Team completes tasks and disbands | Reflection, sense of closure, mixed emotions |

# Tuckman's Stages of Team Development



**Can you identify which is the best leadership role/strategy within each team development stage:**

**A. Mediate conflicts and encourage open communication**
**B. Provide clear goals, clarify roles, build trust**
**C. Celebrate achievements, provide feedback, ensure smooth transition**
**D. Delegate responsibility, encourage innovation, maintain motivation**
**E. Facilitate collaboration, reinforce positive behaviors, support skill development**

| Stage | Leader's Role (Choose from A–E) |
|---|---|
| Forming | ☐ |
| Storming | ☐ |
| Norming | ☐ |
| Performing | ☐ |
| Adjourning | ☐ |

# Tuckman's Stages of Team Development



| Stage | Correct Leader Role | Explanation / Justification |
|---|---|---|
| Forming | B – Provide clear goals, clarify roles, build trust | Team members are new, unsure of objectives, and dependent on guidance. Leader sets direction and helps members feel safe. |
| Storming | A – Mediate conflicts and encourage open communication | Conflicts and disagreements emerge as roles are negotiated. Leader must manage tension and promote constructive dialogue. |
| Norming | E – Facilitate collaboration, reinforce positive behaviors, support skill development | Team starts working cohesively, forming norms. Leader encourages collaboration and reinforces productive patterns. |
| Performing | D – Delegate responsibility, encourage innovation, maintain motivation | Team operates efficiently with high autonomy. Leader focuses on enabling innovation and sustaining motivation. |
| Adjourning | C – Celebrate achievements, provide feedback, ensure smooth transition | Team completes tasks and disbands. Leader recognizes accomplishments and facilitates closure or knowledge transfer. |

# GRPI Model
# (Goals, Roles, Processes, Interpersonal Relationships)

This model was developed by Richard Beckhard and suggests that team dysfunction often is the result of unclear goals or roles. The model is used to diagnose team issues.

| GRPI Component | Description |
|---|---|
| Goals | Clear, shared objectives. |
| Roles | Defined responsibilities and accountability. |
| Processes | Agreed ways of working, communication norms. |
| Interpersonal relationships | Trust, respect, openness. |

# GRPI Model - Exercise



**Below are four scenarios describing common team challenges.**
**For each scenario, identify which GRPI component is being highlighted.**
**Discuss how the team could resolve the issue using the GRPI framework**

| Scenario | Which GRPI Component? (G/R/P/I) | Suggested Solution / Notes |
|---|---|---|
| 1. Team members are unclear about the project objectives and what success looks like. | ☐ | ☐ |
| 2. The team struggles with decision-making and coordination, slowing down progress. | ☐ | ☐ |
| 3. Personality clashes and poor communication are causing tension among team members. | ☐ | ☐ |
| 4. Two team members are performing overlapping tasks, causing confusion and duplication of effort. | ☐ | ☐ |

# GRPI Model - Exercise



| Scenario | GRPI Component | Suggested Solution / Notes |
|---|---|---|
| 1. Team members are unclear about the project objectives and what success looks like. | Goals (G) | Clarify project objectives, set measurable outcomes, and ensure all team members understand the vision and purpose. |
| 2. The team struggles with decision-making and coordination, slowing down progress. | Processes (P) | Establish clear procedures for communication, decision-making, and workflow; create structured meeting agendas and task tracking systems. |
| 3.Personality clashes and poor communication are causing tension among team members | Interpersonal Relationships (I) | Facilitate team-building activities, encourage open dialogue, provide conflict resolution support, and develop trust among members. |
| 4. Two team members are performing overlapping tasks, causing confusion and duplication of effort. | Roles (R) | Define and communicate clear roles and responsibilities; assign ownership for tasks to avoid duplication. |

# AMO Framework (Ability, Motivation, Opportunity)

**This model is based on the concept that :-**

**Performance = f(Ability × Motivation × Opportunity)**

The framework integrates individual and system-level performance drivers.
Reinforces that motivation alone isn't enough — ability and opportunity must align.

| Dimension | Definition | Practical Example |
|---|---|---|
| Ability | Skills, training, capability to perform. | Employee development, mentoring. |
| Motivation | Willingness and drive to perform. | Reward systems, recognition, job design. |
| Opportunity | Organisational conditions that enable contribution. | Autonomy, communication, supportive leadership. |

# Case Study

- Form your group (4–5 students).
- Refer to the worksheet provided.
- Read the scenario carefully.
- Discuss and record your strategy under three categories:
  - Individual motivation
  - Team dynamics
  - Organisational context

- Link at least one motivational theory and one team effectiveness framework from this lecture.
- Prepare to share your strategy briefly with the class

21
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