

EXPECTANCY, GOAL SETTING AND RE-ENFORCEMENT THEORIES

Expectancy Theory is the theory that an individual tends to act in a certain way based on the expectation that the act will be followed by a given outcome and on the attractiveness of that outcome to the individual. Three relationships are important to this theory.

1. Effort-performance linkage (expectancy) is the probability perceived by the individual that exerting a given amount of effort will lead to a certain level of performance.
2. Performance-reward linkage (instrumentality) is the degree to which an individual believes that performing at a particular level is instrumental in, or will lead to, the attainment of a desired outcome.
3. Attractiveness of the reward (valence) is the importance that the individual places on the potential outcome or reward that can be achieved on the job.
4. There are four features inherent in the theory.
 - a. What perceived outcomes does the job offer the employee?
 - b. How attractive do employees consider these outcomes to be?
 - c. What kind of behavior must the employee exhibit to achieve these outcomes?
 - d. How does the employee view his or her chance of doing what is asked?
5. The key to understanding expectancy theory is understanding an individual's goal and the linkage between effort and performance, between performance and rewards, and between rewards and individual goal satisfaction.

Goal-Setting Theory says that specific goals increase performance, and difficult goals, when accepted, result in higher performance than easy goals. What do we know about goals as motivators?

1. Intention to work toward a goal is a major source of job motivation. Specific and challenging goals are superior motivating forces. Specific hard goals produce a higher level of output than do generalized goals.
2. Is there a contradiction between achievement motivation and goal setting? No, and here's why?
 - a. Goal-setting theory deals with people in general; achievement theory is based only on people who have a high need for achievement. Difficult goals are still recommended for the majority of employees.
 - b. The conclusions of goal-setting theory apply to those who accept and are committed to the goals. Difficult goals will lead to higher performance only if they are accepted.
3. Will employees try harder if they participate in the setting of goals?
 - a. We can't say that participation is always desirable.
 - b. However, participation is probably preferable to assigning goals when the manager expects resistance.
4. Will people do better when they get feedback on how well they're progressing toward their goals?
 - a. Feedback acts to guide behavior.
 - b. Self-generated feedback has been shown to be a more powerful motivator than externally generated feedback.
5. What contingencies exist in goal-setting theory? There are four contingencies we need to know about.
 - a. Feedback influences the goal-performance relationship.
 - b. Goal commitment is another contingency. Commitment is most likely to occur when goals are made public, when the individual has an internal locus of control, and when the goals are self-set rather than assigned.
 - c. **Self-efficacy** is another contingency and refers to an individual's belief that he or she is capable of performing a task. The higher your self-efficacy, the more confidence you have in your ability to

succeed in a task.

- d. The last contingency that affects goal setting is national culture.
6. Our conclusion about motivation from goal-setting theory is that intentions, as defined by hard and specific goals, are a powerful motivating force.
 - a. In the proper conditions, they can lead to higher performance.
 - b. However, there's no evidence that such goals are associated with increased job satisfaction.

Reinforcement Theory is counter to goal-setting theory. It proposes that behavior is a function of its consequences.

1. Reinforcement theory argues that behavior is externally caused.
2. What controls behavior are **reinforcers**, which are consequences immediately following a response that increase the probability that the behavior will be repeated.
3. Reinforcement theory ignores factors such as goals, expectations, and needs.
4. It focuses solely on what happens when a person takes some action.
5. How can the concept of reinforcement be used to explain motivation?
 - a. People will most likely engage in a desired behavior if they are rewarded for doing so.
 - b. These rewards are most effective if they immediately follow a desired response.
 - c. Behavior that isn't rewarded or is punished is less likely to be repeated.
6. Managers can influence employees' behavior by reinforcing the work behaviors they desire.

Open Book Management

Open-book management is a motivational approach in which an organization's financial statements (the "books") are opened to and shared with all employees.

1. The goal of open-book management is to get employees to think like an owner by seeing the impact their decisions and actions have on financial results.
2. To be effective, employees have to be taught the fundamentals of financial statement analysis and what the numbers show.
3. The style of management demands for involvement of employees in all decision making for organization involving the transparency of financial statements.
4. Employees may be treated as business partners so productivity and profitability is enhanced.

Pay-for-performance programs are compensation plans that pay employees on the basis of some performance measure.

1. Performance-based compensation is probably most compatible with expectancy theory.
2. The increasing popularity of pay-for-performance programs can be explained in terms of both motivation and cost control.
3. Do pay-for-performance programs work? Studies seem to indicate that they do.

Integrating Contemporary Theories of Motivation

1. The basic foundation is the simplified expectancy model.
2. The model also considers the achievement-need, reinforcement and equity theories.
3. Rewards also play an important role in the model.