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Industrial and Organizational Psychology

Motivation, Job Design, and Extrinsic Rewards

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Honolulu Hawaii

November / 2023



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#### Introduction

Motivation is a critical element for any organization. It offers profound benefits for promoting the efficiency of a company. Motivation is the desire to act in a particular manner that intends to achieve a specific goal. It is a vital element in setting and achieving the company's objectives. Keenly, motivation is one of the driving elements behind human behavior. It promotes competition and catalyzes social connections. It encompasses the desire to strive towards a meaningful purpose, especially in the workplace.

In the workplace, it is fundamental to implement job design. Job design is the process that organizations utilize to develop new jobs or add responsibilities to an existing job. Importantly, this allows organizations to achieve their objectives more easily by having more workers complete tasks within the company. Job design is essential as it aligns business with employees. Successful job design can assist in the alignment of both employee and business values. This results in reduced turnover and also assists in promoting productivity.

Moreover, job design secures a competitive advantage. The expectations and the landscape for work are ever-developing, and utilizing job design permits organizations to be updated on the various changes, attracting top talent and increasing employee motivation. Responsibilities and roles developed well-designed can enhance motivation and decrease job responsibility confusion. Additionally, it prevents repetitiveness, ensuring tasks are not repetitive, maintaining employee motivation, and enhancing morale.

Frequently, organizations usually utilize various methods to promote motivation among their employees. One of the motivation techniques used is extrinsic rewards. Extrinsic rewards are frequently tangible or financial rewards offered to employees, such as benefits, bonuses, and pay raises. They are usually extrinsic as they are external to executing the work and are controlled by individuals other than the workers. Investigating the interrelationship among extrinsic rewards, job design, and motivation to determine their effects on human psychology.



#### **Questions:**

#### **Chapter 4**

(1) Illustrate what is meant by needs, motives, drives, arousal, and goals or incentives.

The instance individuals are motivated, they are responding to situations operating outside and within themselves. Motivation is often investigated concerning incentives, needs, drives, motives, and goals. The prominence of motives and needs highlights the interconnection of personality and motivation. Needs can be categorized as security, physiological, ego, social, or esteem needs (McKenna, 2020). For example, a security need can be financial security, where one has to work to earn an income.

Motives comprise internal states that activate, energize, and direct an individual's behavior as they attempt to achieve a goal or obtain an incentive. Motives can serve as a means by which a customer evaluates competing products (McKenna, 2020). For example, a smartphone buyer motivated by accessibility could be attracted to a model with specific features in preference to a similar smartphone without the features.

Pointedly, the concept of drive is a critical feature of numerous theories of motivation. A person is said to be driven when they assume a pattern of behavior to realize a particular goal (Baron, 2002). For example, a thirsty individual preoccupied with fulfilling a physiological need would behave in a manner to indicate that they are in search of water, which is the incentive.

Profoundly, it is the reticular and thalamus formation that employ influence on the arousal mechanism. The thalamus is the pivotal point of depression, excitement, pain, and pleasure. The reticular formation decreases or increases arousal levels, filters information, and determines what should be transferred to the higher brain and what should be rejected (Baron, 2002). For example, for an individual who is in a confrontation, arousal is evident during processing the flight or fight response.

Essentially, incentives and goals satisfy the behavior associated with the drive. The provision of incentives for suitable behavior conjures up images of reinforcement theory. Several incentive programs have been designed to motivate individuals to attain good standards (McKenna, 2020). For example, a thirsty individual achieves the goal by drinking water, which could reduce thirst drive.



### (2) In what circumstances is frustration likely to generate destructive behaviour?

There are usually diverse circumstances whereby frustration is probable to generate destructive behavior. The display of temper due to frustration might cause an individual to engage in verbal or physical aggression. Importantly, there are diverse circumstances when people react to frustrating occurrences regardless of the event's magnitude, whereby the reaction is usually completely inappropriate in a given circumstance. Furthermore, the various destructive behavior includes making caustic remarks or shouting regardless of the magnitude of the frustrating occurrence (McKenna, 2020). Another harmful behavior is that particular individuals are predisposed to give up and pull out from the situation. Also, if individuals find the atmosphere surrounding the obstacle to attaining the goal unsettling, they typically suppress the experience to the unconscious mind.

### (3) Examine the similarities between any two content theories of motivation.

Content theories of motivation have different similarities. Two content theories of motivation that share various similarities include Maslow's Hierarchy of Needs and ERG theory. One of the similarities between ERG and Maslow's theory is that both strive to elaborate on the fundamentals of human motivation and how it influences behavior. Additionally, both theories are based on the idea that rudimentary needs drive individuals to do particular and to behave in a specific way (Moorhead & Griffin, 2014). Another similarity between the two theories is that both have a hierarchical framework containing primitive needs at the bottom while the more sophisticated needs at the top. Critically, both Maslow's Hierarchy of Needs and ERG theory deal with the upward movement of motivation based on the hierarchy.



# (4) What is the significance of cognitive evaluation theory when examining the relative importance of intrinsic and extrinsic rewards?

Cognitive evaluation theory is instrumental in examining the significance of intrinsic and extrinsic rewards. The theory advocates that an excessive preoccupation with extrinsic rewards could result in adverse effects as far as the appeal of intrinsic rewards is concerned. The theory argues that the instance emphasis is placed on extrinsic reward for excellent performance in a work acknowledged to be rich in intrinsic motivation, there would be a consequent decline of interest in the intrinsic rewards initially associated with the job (Deci, Koestner, & Ryan, 1999). Fundamentally, the theory states that extrinsic rewards such as performance associated with pay are offered to workers for performance in an enriched; it causes the intrinsic rewards derived from executing something they enjoy to decline.

# (5) Select any cognitive theory of motivation and explore its application in an organizational setting.

A cognitive theory of motivation can be beneficial when employed in an organizational setting. One of the theories that can be utilized in an organizational setting is the goal-setting theory. It is claimed that goal-setting theory has been noteworthy in comprehending work motivation (Mitchell & Daniels, 2003). In an organizational setting, goals can be utilized as a motivational device in which employees work towards attaining the goals. Also, goals can be used as control devices in monitoring performance regarding goals set for departments and individuals. Purposefully, goal-setting theory states that organizational goals should be SMART, which is specific, measurable, attainable, and relevant within a time frame. The beginning point for a goal-setting theory of motivation is that behavior is influenced by implementation intention and conscious goals. Through the goal-setting theory, employees in an organization can achieve the set goals in their respective job responsibilities.



#### (6) Assess the value of equity theory.

Notably, equity theory emphasizes the significance of the underlying cognitive processes that govern a person's decision to put effort into an activity. The main argument of equity theory is that individuals are motivated to secure what they regard to be a fair return for their efforts. In instances of feelings of inequality, it usually amounts to discomfort. The value of equity theory is relatively significant as it presents six methods of reducing inequality. One method is inputs might be modified. If one believes they are not adequately rewarded, personal effort might be reduced. Another method is output might be modified (Taris, Kalimo, & Schaufeli, 2002). An individual might demand a better monetary reward for the effort that is presently under-rewarded. Reducing inequality can also be achieved by changing the perception of self-being modified. For instance, the individual might amend the original perception of inequality by concluding that they are contributing less but getting more than formerly believed to be the case.

Another method is modifying the perception of other individuals with whom comparisons are made. For instance, an individual experiencing inequality might conclude that the other is working harder than originally appeared and consequently deserves the perceived extra outputs. The other method is whereby the individual with whom a comparison is made is no longer used. Essentially, the person might conclude that the other reference individual used for comparison is no longer suitable and should be replaced by a suitable alternative that is more appropriate. The last method offered by equity theory to reduce inequality is leaving the situation (Adams, 1965). This is whereby the individual believes that the only means of resolving the inequality is being transferred to another department or leaving the company.

# (7) Distinguish between procedural justice and distributive justice in the context of equity theory.

Recently, equity theory has been revised utilizing a more explicit cognitive processing perspective. In addition to distributive justice, there is international justice and procedural justice. Distributive justice is the perceived fairness of allocating rewards and the amount distributed to workers. In contrast, procedural justice refers to the supposed fairness of the procedure utilized to determine the distribution of rewards



(Folger & Konovsky, 1989). For instance, in procedural justice, there is a discernment that the company avails adequate capital for reward purposes. The reward system is unbiased as it does not favor any particular group.

## (8) Why is reinforcement theory – a learning theory – considered in the context of motivation?

Reinforcement theory is considered in the context of motivation as it has the conceptual foundation and emphasizes the individual's desire to pursue pleasant experiences. The theory stresses the influences of past rewards in determining present behavior (Vecchio, 2003). The application of reinforcement theory is apparent in ways utilized to enhance motivation through organizational behavior modification programs.

### (9) Why should we consider affective events theory (AET) when trying to understand work motivation?

Affective Events Theory (AET) should be considered while investigating work motivation. Affective Events Theory (AET) should be considered as it is a framework that assists in comprehending how moods and emotions influence job performance and satisfaction (Weiss & Beal, 2005). It is also noted that work events could trigger negative or positive emotional reactions. Still, workers' moods and personalities influence them to respond to the perceived occurrences to a lesser or greater extent. For instance, upon learning about a promotion to a demanding job, the event develops a positive emotion due to the realization of one's career advancement and income increase.

# (10) Has the theory of "purposeful work behaviour" any significance when it comes to integrating personality and motivation theories.

The "purposeful work behavior" theory is relatively significant in integrating motivation and personality theories. The theory basically tries to integrate the Big Five theory of personality with elements of the job characteristic model (Barrick, Mount, & Li,



2013). Personality is viewed as the source of motivation, which is why it is incorporated in this innovative approach.

# (11) Why should one consider autonomous work groups, empowerment, and lean production systems when addressing issues connected with job design?

Considering empowerment, autonomous work groups, and lean production systems is critical when addressing issues associated with job design. Regarding autonomous work, groups are essential as they have considerable self-determination in managing their daily responsibilities. Moreover, autonomous work groups enable group control over work pace, planning breaks, scheduling work, determining inspection modes, performing member appraisals, and selecting new team members (Kapstein, 1989). Autonomous work groups can evaluate group performance and offer feedback, perform most of the group's tasks, and perform interrelated tasks.

In job design, empowerment is a motivational concept associated with enabling rather than delegating. Essentially, enabling suggests the development of conditions by management so that individuals can experience increased motivation to attain desired performance levels (McKenna, 2020). It is contended that empowerment is significant for promoting work performance, whereby the initiatives to empower workers concerning performing their tasks will probably be effective if a high level of operational uncertainty exists.

Lean production systems are rudimentary in job design as they focus on five key principles: customer focus, teamwork, continuous improvement, quality control, and minimal inventory buffers. Moreover, there has been significant recognition of lean production systems, especially regarding high performance in the manufacturing industry (Pinder, 2015). One of the key components of a lean production system is teamwork, especially in semi-autonomous groups. The involvement of these groups in diverse responsibilities and tasks is noteworthy, as it would add value to the outcome.



## (12) Explain what is meant by self-efficacy and social identity in a motivational context.

Self-efficacy is a social learning theory involving cognitive judgment by an individual. It totals a belief in competence to perform required actions and produce results for a particular defined task. It involves a self-assessment of an individual capability and has motivational consequences (Themanson & Rosen, 2015). Fundamentally, as people gain increasing task-explicit skills and knowledge, they acquire self-efficacy that results in the conviction that they can execute tasks at a particular skill level. Alternatively, the social identity approach outlines how social group membership affects the social concept (Van Knippenberg, 2000). Regarding social identity and motivation, it is of the interpretation that the motivation to employ effort on behalf of the collective is affected by social identity, specifically, the instance in which the latter is salient.

# (13) Define extrinsic rewards and specify the purpose and philosophy of reward systems.

Extrinsic rewards such as money and various material benefits originate from diverse sources that are external to a person. The visibility of extrinsic rewards is distinct when administrators use competitive compensation to influence subordinates to enhance performance (Sabramony et al., 2008). Keenly, the reward system aims to retain, attract, and inspire qualified employees. Frequently, pay is a core element of the reward system, and achieving the right level is vital regarding the organizational competitive strength. Moreover, a general philosophy governing reward systems includes that they should entail ethical, equitable, and fair rewards. Another philosophy is a recognition of the significance of each worker's contribution to the organization (Moorhead & Griffin 2014). Lastly, another philosophy governing reward systems is the compensation package must be competitive in the peripheral employment market to retain and attract competent employees.



# (14) What are the differences between the quantitative and nonquantitative approaches to job evaluation?

The quantitative approach to job evaluation entails analyzing performance-related pay such as bonuses, skill-based pay, profit sharing, stocks, and gain sharing (Kuhn & Yockey, 2003). Alternatively, a non-qualitative approach is associated with time rates in job evaluation.

# (15) In what way does the type of reward system known as payment by results differ from performance-related pay?

Particularly, differences exist between performance-related pay and payment-byresults reward systems. Payment by results links pay to the quality of one's output. The payment by result reward system is whereby pay is associated with the number of units of work manufactured where it is commonly used in the manufacturing industry. Alternatively, performance-related pay is explicitly linked between a group, an individual, or a company's performance and financial reward (Currall et al., 2005). Importantly, the most critical goal of performance-related pay is to enhance performance by re-targeting the compensation system to be more responsive and sensitive to employee and company needs. However, in payment by results, the employees are motivated to increase effort as they would receive additional income (McKenna, 2020). Notably, payment by-results schemes linked to individuals would stimulate the quantity of output. Nevertheless, due consideration is given to group performance in performance-related pay, where teamwork and individual performance are necessary.

#### Conclusion

Different vital concepts are learned in the course. One of the concepts learned is the significance of cognitive evaluation theory in evaluating extrinsic and intrinsic rewards. The theory stresses that excessive preoccupation with extrinsic rewards could cause adverse effects regarding the appeal of intrinsic rewards. Also, another concept learned is the disparity between distributive justice and procedural justice. Distributive justice is the supposed fairness of allocating rewards where the amount is distributed to employees. Procedural justice is described as the supposed fairness of the procedure



used to determine the distribution of rewards. Another concept learned is that Affective Events Theory should be considered while investigating work motivation as it is a framework that supports understanding of how emotions and moods influence job performance.

The information attained from the course would be instrumental in enhancing personal and work life by employing the Affective Events Theory (AET). The theory offers a framework that enables the comprehension of how moods and emotions affect job performance, and it would enable achieving proper management of moods that would increase job satisfaction and performance and enhance overall personal life.

The knowledge gained from the course would be instrumental in increasing income through goal-setting theory. Goal-setting theory is critical in enhancing comprehension of work motivation. Utilizing the theory would be vital in developing strategies that would result in employee work motivation and increased productivity. Ultimately, the increased productivity would increase income.

Lastly, the knowledge acquired from the course would assist in addressing human rights in the world. Due to differences in equality in the job sector, especially for the minority, using the philosophies of the reward systems would ensure equality for employees. Ultimately, it is learned that a general philosophy governing reward systems should contain ethical, equitable, and fair rewards. This concept would be instrumental in promoting human rights in the world.



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