

NATIONAL OPEN UNIVERSITY OF NIGERIA

# BUS 831



Organizational Theory &  
Behaviour  
**Module 3**

# BUS 831 Organisational Theory and Behaviour Module 3

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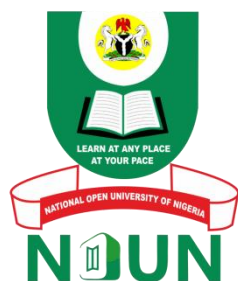
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## Module 3 Individual Behaviour

### Unit 1: Introduction to Organisational Behaviour

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#### 1.0 Introduction

Many business owners, managers and supervisors have failed in their businesses or jobs, not because they were not technically sound, but because they did not know how to manage people. Human beings drive success or failure in organisations. Equipment and computers cannot operate themselves. Entrepreneurs can barely make it alone. Managers are paid to accomplish goals through workers. That tells you that workers should be your most important assets. You also deal with customers, suppliers, creditors, contractors, bankers, etc., which involves human interactions. It is difficult to get the performance you want from people if you fail to understand, predict, and influence their behaviours. Organisational Behaviour provides you with the relevant tools that will enable you to properly and adequately understand and manage people in the workplace.

#### 2.0 Objectives

At the end of this unit, you should be able to:

- explain what organisational behaviour is all about.
- discuss the challenges and opportunities that face organisational behaviour.

#### 3.0 Main Content

##### 3.1 Meaning of Organisational Behaviour

Organisational behaviour is about developing people skills. The study of organisational behaviour is a relatively recent shift arising from the realisation of the inadequacy of solely focusing on technical and quantitative skills in the management of organisations. Managerial functions, roles, skills, and activities underscore the importance of managing people. Leadership, communication, interpersonal and networking skills (people skills) are critical to effective and successful management of organisations.

Organisational behaviour studies the three factors that determine behaviour in an organisation namely; individuals, groups, and structure; and applies the knowledge towards making organisations more effective. Organisational behaviour is concerned with people's behaviour in organisations and how it affects performance in the organisation.

Organisational behaviour is an applied behavioural science with major contributions from psychology, social psychology, anthropology, and sociological disciplines.

## 3.2 Challenges/Opportunities for Organisational Behaviour

1. Economic pressures arising from global economic recessions such as that of 2008-2009 and recent domestic recession in Nigeria, make the management of organisations more difficult and challenging. Economic recessions usually invoke pay-cuts, job losses, lay-offs, downsizing, etc., and come with uncertainties that challenge the management of organisations. Organisational behaviour points to understanding how to reward, satisfy and retain employees when times are good, and how to cope with stress and decision-making during difficult times.
2. Globalisation has collapsed national boundaries, resulting to international fluidity of human and material resources. Many businesses now have operations outside their home countries, and also employ people from other countries. Some of the implications of these are that managers are increasingly required to manage workers from different countries and to supervise the movement of jobs from high cost areas to low cost areas. In these situations, managers may face people from different countries, cultures, language, religions, economic values, etc., and would need to adapt management styles to fit different situations. Organisational behaviour offers necessary knowledge and skills to cope with such situations.
3. Managing the differences among workers within the same country (workforce diversity), also requires adaptation of management styles. The diversity (difference) relates to race, gender, ethnicity, age, educational qualification, language, sexual orientation, etc. Workforce diversity offer opportunities and challenges regarding its management, and how to channel these differences into a competitive advantage for the organisation.
4. Customer service is crucial to organisation's performance because customer satisfaction leads to customer loyalty, retention, and referrals, which boosts organisation's performance. This informs the priority that service organisations place on customer service. Organisational Behaviour helps managers to improve customer service by showing them the link between customer satisfaction and employee's attitudes and behaviours, and how to create customer-friendly organisational cultures.
5. Organisational behaviour offers relevant concepts and theories that explain and predict people's work behaviours, and skills that can be used to manage employees, e.g. how to create efficient teams, how to motivate workers, to mention a few.
6. Innovation and change are critical factors for organisations' survival and prosperity in today's global economy, and these factors can be delivered by its employees. However, managers have the duty to stimulate creativity and acceptance of change in their employees, and Organisational Behaviour comes handy with techniques and ideas that help managers to deliver on this task.
7. The boundary between work and other life domains has continued to blur, resulting in work-life conflict. This is as a result of increase in dual-career couples and employed single mothers, increasing use of information and communication technology that connects employees even outside working hours, etc. Consequently, it is becoming increasingly difficult to balance work and personal responsibilities. Organisational Behaviour offers some ideas on how manager can design jobs and workplaces to help employees deal with issues relating to work-life conflict.

## 4.0 Conclusion

We have seen that since human beings are central to the success of organisations, the skill to manage and motivate them to superior performance is critical to the success or effectiveness of business owners, managers, and supervisors. Economic challenges such as the recent economic recession in Nigeria makes the management of organisations more difficult. Globalisation and the resulting free flow of people, products and ideas imply increased competition and exposure to foreign/diverse workforce, with its challenges. Customer service, innovation and change, work-life conflict, etc., combine to reinforce the need for Organisational Behaviour.

## 5.0 Summary

In this unit, we discussed the meaning and nature of organisational behaviour and the challenges/ opportunities it offers.

## 6.0 Self-Assessment Exercise

Several issues underscore the relevance of organisational behaviour in the 21<sup>st</sup> century. Discuss these issues.

## 7.0 References/Further Reading

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## Unit 2 Personality

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### 1.0 Introduction

It is common knowledge that each of us is different from others, in one way or the other. You may have also noticed that you and your siblings do not have exactly the same attitudes or behaviours, though you were born by the same parents. The same thing goes for workers in the same organisation. Employees come into the organisation from different backgrounds, levels of education, exposure, etc., and with different personalities. Some are warm, cheerful and easy-going, while others are reserved and withdrawn. Some are cooperative, while others are difficult to work with. Some are emotionally balanced, while others could easily lose it. Our personalities differ but we must work with others in the same organisation. This, calls for adequate knowledge and understanding of different personality types to enable us co-exist well in the workplace.

### 2.0 Objectives

At the end of this unit, you should be able to:

- explain the meaning of personality
- explain the determinants of personality
- identify personality
- Identify other personality traits relevant to organisational behaviour.

### 3.0 Main Content

#### 3.1 Meaning of Personality

Robbins *et al.* (2013, p.138) define personality as “the sum total of ways in which an individual reacts to and interacts with others”. Personality can be measured through self-report survey and observer ratings survey. In self-report survey, concerned individuals evaluate themselves by responding to a series of factors. However, the problems with this method are:

- The respondents may manipulate the outcome of the survey by falsifying their responses, especially if they are aware that the survey was for employment purposes,
- An individual being in a bad mood during the survey may render the outcome less accurate. Under observer-ratings method, an overseer (e.g. a co-worker) independently rates the individual being surveyed.

Studies suggest that observer-rating method of measuring personality better predicts success on a job than self-reporting methods. It has also been found that a combination of both methods better predicts performance on the job than any one of them.



## 3.2 Determinants of Personality/Personality Traits

**Heredity:** Extensive study of twins that were raised separately (away from each other) suggests that genetics (heredity) substantially accounts for a person's personality. The twins end up sharing significant similarities in their personalities in spite of their being raised by different people, apart from each other.

## 3.3 Personality Traits

There are two important frameworks used in identifying and classifying personality traits namely; the Myers-Briggs Type Indicator and the Big Five Personality Model.

### The Myers-Briggs Type Indicator (MBTI)

This framework contains one hundred questions on individual's feelings and actions in specific situations. From the data collected, respondents are classified as extraverted (E) or introverted (I), sensing (S) or intuitive (N), thinking (T) or feeling (F), judging (J) or perceiving (P).

- Extraverted people are sociable and outgoing; while introverted people are withdrawn, shy and quiet.
- Sensing people prefer details, order, and routine; while intuitive persons rely on unconscious processes.
- Thinking people rely on logic and reason; while feeling people rely on emotions and personal values.
- Judging people prefer structure, order and control; while perceiving people are spontaneous and flexible.

Though Myers-Briggs Type Indicator (MBTI) is the most widely used instrument for personality evaluation, most of the evidence does not support its validity as a measure of personality. It does not recognise that some people may not fit into any of the four pairs of traits it proposed. Furthermore, it is not suitable for selection of job applicants because its results are not related to job performance.

### The Big Five Personality Model

This model considers five basic dimensions or factors that underlie and account for the major differences in human personality.

**Extraversion:** This evaluates the degree to which an individual is comfortable with relationships. Those who are sociable, outgoing and assertive are known as extraverts, while those who are withdrawn, quiet and shy are known as introverts.

**Agreeableness:** This evaluates the degree to which an individual agrees with other people's views or opinions. Very agreeable people are cooperative and trusting, while less agreeable people are disagreeable and antagonistic.

**Conscientiousness:** This evaluates the degree to which an individual is reliable. Very conscientious people are dependable, responsible, and persistent, while less conscientious people are unreliable, irresponsible and liable to distractions.

**Emotional Stability:** This evaluates the degree to which an individual is able to withstand stress. Those with positive emotional stability feel secured, self-confident, and calm, while those who are emotionally unstable feel unsecured, anxious and nervous.

**Openness to Experience:** This evaluates the degree to which an individual embraces new ideas.

Studies found relationships between these dimensions of personality and job performance. For example, it was found that conscientious people (expressed as dependability, reliability, persistence, attention to details, hard work, etc.), have higher job performance in virtually all occupations. However, conscientious people find it difficult to adapt to change and are less creative when compared to less conscientious people.

- Emotional Stability is strongly related to job and life satisfaction, and low stress levels. Highly emotionally stable people tend to be happy, optimistic and positive. People who are low on emotional stability tend to be unhappy, irritable negative and vulnerable to the negative effects of stress.
- Extraverts tend to be happier in their work and other aspects of life, are positive, have more social skills and tend to do well in interpersonal relationships/interactions than introverts. Extraversion also strongly predicts leadership because extroverts are assertive and socially dominant than introverts. However, extroverts tend to be more impulsive than introverts, tend to be absent from work and engage in risky behaviour.
- Those who are highly open to experience are more creative than who are not. They also tend to cope with ambiguity and change, and tend to be effective in leadership.
- Highly agreeable people tend to be liked for being highly agreeable, are law abiding or compliant to rules, satisfied on their jobs and engage in organisational citizenship behaviour.

### 3.4 Other Personality Traits

Besides the Big Five Personality traits, there are other human attributes that strongly predicts behave in the work place.

#### **Core Self-Evaluation (Self-Esteem)**

This reflects an individual's conclusions about his or herself regarding his or her capabilities, competence and self-worth. People who have positive core self-evaluation have positive conclusions about their capabilities, competence and self-worth while those with negative core self-evaluation have negative conclusions about themselves and therefore, feel they are powerless over their environments. Positive core self-evaluation correlates job satisfaction and job performance.

## **Machiavellianism**

This personality characteristic is named after Niccolo Machiavelli. Machiavellianism refers to the extent a person is pragmatic, emotionally distant and believes that the end justifies the means. Studies show that those who score high on Machiavellianism (high Mach) tend to win, manipulate and persuade others (but are less persuaded by others), are less satisfied by their jobs, more stressed and engage in counterproductive behaviours than low Machs. High Machs performs better when the job requires face-to-face interactions, when there is minimal formalisation, and when emotional considerations distract low Machs.

## **Self-Monitoring**

Self-monitoring describes a person's ability to adapt his or her behaviour to suit external situational factors. Persons high on self-monitoring are very sensitive to external situations and can easily adapt their behaviours to suit such situations. Such people can be described as chameleons whose colours reflect the environment they find themselves. They pay close attention to the behaviour of others and conform. They are appraised more favourably, have the tendency to emerge as leaders, and show less organisational commitment. Managers that score high on self-monitoring tend to enjoy quick promotions and easily change job positions and organisation.

People who score low on self-monitoring tend to consistently exhibit their true dispositions in all situations. They are not politically inclined. They tend to irritate bosses and colleagues because they are unable to pretend or disguise their real feelings, opinions, and attitudes even when it is unpopular.

## **Risk Taking**

Individuals differ in their propensity to take risk. Those who have high propensity to take risk are inclined to take quick decisions on less information than those who are risk averse. Earlier studies show that entrepreneurs are more willing to take risk than managers in large corporations but recent studies show that the reverse is the case. High risk takers do well in jobs that require risk-taking for example stock trading and many other businesses, while risk averse individuals do well in jobs that do not require risk-taking, e.g. civil service jobs, etc. A mismatch may cause problems for the individual and organisation.

## **Proactive Personality**

Proactive persons create change irrespective of the circumstances. They are leaders, change agents, good at interpersonal interactions, and tend to be satisfied with their jobs and, therefore, engage in organisational citizenship behaviours. They possess entrepreneurial abilities, are loyal to their organisations, conscientious and good at building information and relationship network, etc.

## **4.0 Conclusion**

We have seen that personality can derive from heredity. Myers-Briggs Type Indicator (MBTI) and the Big Five Personality Model are the most widely used instruments for personality evaluation. Besides the traits identified by these two frameworks, there are

other personality traits that are relevant to organisational behaviour, e.g. self-esteem, Machiavellianism, self-monitoring, risk-taking, proactive personality.

## 5.0 Summary

In this unit, we studied the meaning of personality, determinants of personality, methods of evaluating personality, and other personality traits that are relevant to organisational behaviour.

## 6.0 Self-Assessment Exercise

Using the Big Five Personality model, discuss the relevance of personality traits to behaviour in the workplace.

## 7.0 References/Further Reading

Gibson, J.L., Ivancevich, J.M., & Donnelly, Jr., J.H. (1994). *Organisations*, (9th ed.). Boston: Irwin/McGraw-Hill.

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## Unit 3 Perceptions and Individual Decision-Making

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### 1.0 Introduction

We all try to interpret and make sense of our sensory impressions on daily basis. You may not realise this, but you are always interpreting other people's actions and reactions, in your efforts to make sense of the events happening around you. Your conclusions are important to you, irrespective of whether it is the reality or not. Like it has been rightly said, the world that you perceive is the world that exists. And very importantly, people's interpretation (perception) of people, events, or situations informs your behaviour. For example, if workers perceive that their employing organisation is not taking adequate care of their interest, it may make them to put in less effort at work, come late to work, and leave before the close of work, etc. The opposite will happen if the workers perceive their organisation to be taking very good care of their interests. This relationship between perception and behaviour makes it an important issue in the management of organisations.

### 2.0 Objectives

At the end of this unit, you should be able to:

- explain the meaning of perception
- identify the factors that influence perception
- identify common shortcuts in person perception
- explain decision-making in organisations, and
- Identify common biases and errors in decision-making.

### 3.0 Main Content

#### 3.1 Meaning of Perception

Perception is “a process by which individuals organise and interpret their sensory impressions in order to give meaning to their environment.” (Robbins *et al.* 2013, p.176). Perception is important in organisational behaviour because individuals' behaviours are products of their perceptions of what reality is, not necessarily on objective reality. An individual's perception of reality can be, and is often different from objective reality.

#### 3.2 Factors That Influence Perception

The factors that influence perception are the perceiver, target, and context.

- **Perceiver:** A person's interpretation of what he or she experiences is influenced by his or her personal experiences such as educational background, level of exposure, personality, interest, motives, expectations.

- **Target:** A person's interpretation of what he or she experiences is also influenced by the characteristics of the target or object. For example, noisy people or those dressed in very bright colours, or are extremely beautiful or ugly, are easily noticed in a group of people.
- **Context:** The time and place of an event influence the way it is perceived. For example, a lecturer giving a female student a ride from school on a working day may be perceived differently from the same lecturer giving the same female student a ride on a Saturday night in the direction of a popular night club. The perceiver and targets remain the same, but the context is different.

### 3.3 Person Perception

This refers to the perceptions people make about others. When we observe others, we try to understand and explain their behaviours.

Attribution theory tries to determine whether a particular behaviour is caused by internal or external factors. Behaviour is said to be caused by internal factors if the behaviour is within the person's control. On the other hand, behaviour is said to be caused by external factors if the behaviour is outside the person's control. For example, a person who goes late to work due to armed robbery operation that blocked his only route to work, did so due to circumstances beyond his control; so there is external attribution. But a person, who goes to work late because he refused to leave for work on time, did so due to circumstances within his control; so there is internal attribution.

In determining whether the behaviour is due to internal or external attribution, we consider three factors namely; distinctiveness, consensus, and consistency of the person's behaviour.

**Distinctiveness:** This considers whether the behaviour is similar to the person's behaviour in other situations, or not. If the person's behaviour is similar to his or her usual behaviour, it is given an internal attribution, but if it not similar (high distinctiveness) it can be given an external attribution.

**Consensus:** If everybody that was confronted by similar situation responded in the same way, then there is consensus. For example, there is consensus if all the people who took the same route that was attacked by armed robbers went late to work (external attribution), but if some people in the same situation went to work on time, then there is low consensus, which suggests internal attribution.

**Consistency:** Here you consider whether this particular behaviour is similar to the person's previous behaviours over a period of time, or not. Continuing with the lateness example, has this particular person been frequently late to work over the past couple of months, or not? If the person has been frequently late there is high consistency and behaviour can be considered to be internally caused, but if he or she has not been late in the past couple of months, then there is low consistency, and the behaviour can be said to be externally caused.

Studies show that attributions are distorted by errors and biases. For example, judgments of other people's behaviour tend to overestimate internal factors and underestimate external factors. This is called fundamental attribution error.

Another distortion comes from the attribution of success to internal factors, and attribution of failure to external factors. For example, when students pass their exams they attribute it to their efforts or abilities, but when they fail a course, they blame the “wicked” course lecturer. This is called self-serving bias.

### **3.4 Common Shortcuts in Person Perception**

#### **Contrast Effect**

This is the judgment of somebody’s characteristics or behaviour by comparing it to the characteristics or behaviour of another person that was recently encountered, which may distort perception. For example, a student’s performance during project defence can be distorted by the student’s position in the list. If the student is preceded by more intelligent students, he or she may receive very unfavourable assessment; but if the student is preceded by poorly intelligent students, he or she may receive a favourable assessment as a result of examiners comparison of the student’s performance to that of the students immediately preceding him or her. This applies to job interviews too.

#### **Halo Effect**

This is the tendency to draw a general impression about a person based on a single characteristic, e.g. diligence, benevolence, appearance, intelligence, etc. In other words, the judge allows a single trait to influence his or her general impression of the individual being judged.

#### **Stereotyping**

Stereotyping is to judge people based on your perception of the group the person belongs to, viz. race, ethnicity, religion, age, gender, profession, etc. For example, if you say “Teachers are poor” or “Economists are stingy,” “Police officers are corrupt,” you are engaging in stereotyping. These generalisations help us to simplify complexities and take quick decisions but can become problematic when the generalisation is incorrect with respect to a particular individual or situation. That may result to injustice and unfairness.

#### **Selective Perception**

It is impossible for anyone to observe everything that goes on around him or her. So individuals tend to engage in selective perception that is to selectively interpret what they observed in line with their background, attitude, interest, and experience.

These shortcuts apply in specific ways in organisations.

Perceptual judgments, significantly apply in job interviews and performance appraisal and these perceptions are often inaccurate. Applicants’ performance at job interview hinges on the interviewers’ perception of the candidates impression within the first few minutes of the interview.

Performance appraisals of many employees largely depend on subjective evaluations which are prone to errors and biases such as selective perception, contrast effects, halo effects, fundamental attribution error, etc.

Our perceptions also affect our individual decision-making in organisations. Managers and non-managers make work-related decisions on what products to offer, who to employ, how much effort to exert at work, etc. How the decisions are made and the quality of the decisions depends on individual perception of the problem and the alternative solutions. The screening, processing, interpretation and application of data towards decision-making are also influenced by the perception of the individual involved. So, perception is important in individual decision-making process.

### **3.5 Decision-Making in Organisations**

Decision-making models include the following:

#### **Rational Decision-Making**

The rational decision-making model has six steps namely;

- Define the problem
- Identify the decision criteria
- Allocate weights to the criteria
- Develop the alternatives
- Evaluate the alternatives
- Select the best alternative

It is assumed that the decision maker:

- Has complete information
- Is able to objectively identify all options
- Is able to choose the optimal solution.

However, most decisions, in reality, do not seek optimal solution instead people use their judgment to find reasonable solutions to the problems they seek to solve.

#### **Bounded Rationality**

Obtaining an optimal solution based on rational decision-making may be difficult to achieve because many problems are too complex to be solved using the rational decision-making model, and because it is impossible for human beings to process, assimilate, and understand all the information needed to fully optimize decision-making. Consequently, most people adopt bounded rationality, i.e. to capture the essential features of the problem (leaving out the complexities), to form simplified models within which individuals can behave rationally. People seek satisfactory solution rather than optimal solution.



Under bounded rationality, when a problem is identified; in-exhaustive, familiar criteria and alternatives are sought and reviewed to find an alternative that satisfies an acceptable level of performance, not optimize it.

### **Intuitive Decision-making**

This can be described as an unconscious process of making decisions from accumulated and refined experience. It is a hunch, a gut feeling, which is outside of conscious thought. Though it is not a rational decision-making method, it is nonetheless useful and can be used to augment rational analysis. Intuitive decision-making should not be solely relied on.

## **3.6 Common Biases and Errors in Decision-Making**

### **Anchoring Bias**

This is inclination to focus on initial information and fail to adequately consider subsequent information received. The reason for this is that our minds tend to allocate a larger amount of emphasis to the information it receives first. For example, in negotiations the first offer usually anchors the other party's offer setting a range for negotiation. More precise anchors give room for smaller adjustments.

### **Availability Bias**

This is the tendency to base our judgment on readily available information. Recent or emotional events tend to be remembered more often, which makes us to overrate the probability of unusual events happening because it happened recently and was over-hyped in the media. Availability bias also explains why managers accord greater weight to recent employees' behaviours than long past behaviours.

### **Confirmation Bias**

This is the view that we tend to gather information that confirm the views we hold. Individuals tend to seek out information that agrees with their past choices and to ignore information that contradicts them. We also tend to patronise sources of information that would support the views we hold. Furthermore, we tend to accept information that support our views without much questioning but are critical of information that questions the views we hold.

### **Escalation of Commitment**

This refers to increased commitment to a decision in spite of clear evidence that the decision was wrong. Those who invest time and effort into a wrong decision tend to escalate commitment as a way of proving that the decision was not wrong. When managers escalate commitment, they continue to waste organisational resources in an already bad decision, policy or project.

### **Hindsight Bias**

This is the tendency to falsely believe that you would have correctly predicted the outcome of an event, after the outcome of the event is known. The outcome of an event might seem obvious it is known, but not during the event. So many people falsely believe they would

have been able to accurately predict the outcome, which many experts were not even able to predict. Hindsight bias makes people overestimate their ability to predict outcomes, and impedes their ability to learn from past events because they erroneously believe they would have been able to predict the outcome after all.

### **Overconfidence Bias**

We tend to be overconfident in our judgment and decision-making. Our answers to factual questions tend to be way too optimistic. Studies show that when people claim 100% certainty of an outcome, they tend to be 70 to 80% correct.

The negative effects of overconfidence appear everywhere, e.g. over-confidence or over-optimism tend to make entrepreneurs and investors not to adequately and proactively consider and plug loopholes in their plans before the problems surface.

Studies show that those who are weakest in intellectual and interpersonal abilities are most likely to overestimate their ability and performance.

### **Randomness Error**

Randomness error refers to individuals' belief that they can predict the outcome of random events. Some people tend to develop meanings and imaginary patterns out of random events, and may even turn this into superstitions, which may bias individual judgments and decision-making.

## **4.0 Conclusion**

From our discussions in this unit, we conclude that employees' perception is an important factor in determining their behaviour and should, therefore, be monitored and influenced by managers. Perception also affects individual decision-making. However, person perception and decision-making can be distorted by biases and errors, which can be mitigated by our understanding and consciousness of such tendencies.

## **5.0 Summary**

In this unit, we considered the meaning of perception, factors that influence perception, person perception and its shortcuts, individual decision-making, and common biases and errors in individual decision-making.

## **6.0 Self-Assessment Exercise**

Identify and discuss the common biases and errors in decision-making.

## **7.0 References/Further Reading**

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## Unit 4 Job Satisfaction

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### 1.0 Introduction

We all want to be happy! Including being happy with our jobs! When you are happy with your job, you will be proud of your job and willing to stay with your organisation; you will be happy to go to work, put in your best effort and even go beyond your line of duty to help your colleagues at work, etc. It is important for an organisation to have happy employees because it affects their motivation, commitment, performance, organisational citizenship behaviour, etc. Therefore, managers need to understand how to make their employees satisfied (happy) with their jobs.

### 2.0 Objectives

At the end of this unit, you should be able to:

- explain the meaning of job satisfaction
- identify the sources of job satisfaction
- discuss potential responses of dissatisfied workers
- Explain the effect of job satisfaction on some important work variables.

### 3.0 Main Content

#### 3.1 Meaning of Job Satisfaction

Job satisfaction describes a person's positive feeling about his or her job resulting from his or her evaluation of the characteristics of the job.

It can be measured in two ways namely; a single global rating and summation of job facets. Both methods are reliable measures of job satisfaction.

In the single global rating method, respondents respond to one question or questionnaire item aimed at evaluating their job satisfaction on a Likert scale ranging from "highly dissatisfied" to "highly satisfied."

The second method, summation of job facets, a researcher identifies key elements of a job (e.g. pay, promotion opportunities, supervision, nature of the work, etc.) and asks respondents to rate each of them on a standardised scale. The researcher aggregates the ratings to determine the job satisfaction score of the respondents.

#### 3.2 Sources of Job Satisfaction

- Jobs that provide training, variety, independence, and control satisfy most employees.
- Social context of workplace: interdependence, feedback, social support and interaction with co-workers outside the workplace.

- For poor people, pay does correlate with job satisfaction but disappears when an individual reaches a level of comfortable living.
- Personality also plays a role. People with positive core self-evaluation, who believe in their inner worth and basic competence, are more satisfied with their jobs than those with negative core self-evaluation.

### **3.3 Potential Responses of Dissatisfied Workers**

What employees do (response) when they dislike their jobs can be described with a theoretical model called exit-voice-loyalty-neglect framework.

- Exit – In this case the employee directs his or her behaviour towards searching for a new position or quitting the organisation.
- Voice – Here, affected employees constructively engage their superiors with suggestions on how to improve their conditions. They may also engage in union activities to voice their grievances and seek redress.
- Loyalty – This involves affected employees patiently waiting and hoping that their conditions improve, without doing anything about it.
- Neglect - In this instance, the affected employee resigns to fate and allows his or her conditions to worsen. He or she slips into tardiness, absenteeism, lack of commitment, reduced effort at work.

Note: Exit and neglect affect performance variables namely; turnover, absenteeism, and productivity, while voice and loyalty are constructive behaviours that allow employees to stay on their jobs while making efforts or hoping that their conditions will improve.

### **3.4 Effect of Job Satisfaction on Work Variables**

#### **Job Satisfaction and Absenteeism**

Studies show a moderate negative relationship between job satisfaction and employee absenteeism. However, other factors affect absenteeism, irrespective of whether employees are satisfied or not. For example, availability of sick leave with pay encourages employees to take advantage of it, even when they are not sick.

#### **Job Satisfaction and Counterproductive Behaviours**

Job dissatisfaction may result in unfriendly relationships with other workers and employees' engagement in other counterproductive behaviours such as tardiness, substance abuse, stealing from their employers, lazing at work, etc.

#### **Job Satisfaction and Customer Satisfaction**

Studies show that satisfied frontline workers increase customer satisfaction and loyalty. Satisfied employees tend to give quality service to customers in a friendly and caring manner.

## **Job Satisfaction and Employee Turnover**

Studies show strong correlation between job satisfaction and employee turnover. Job dissatisfaction is more likely to result to turnover if it is easy for employees to get employed elsewhere. Secondly, dissatisfaction among highly knowledgeable and highly skilled people is likely to turn to turnover because such people can easily move to other organisations.

## **Job Satisfaction and Job Performance**

Research evidence suggests a strong positive correlation between job satisfaction and job performance both at individual and organisational level. In other words, people who are happy with their work tend to produce more than those who are not happy with their work.

## **Job performance and Organisational Citizenship Behaviour**

Studies show moderate correlation between job satisfaction and organisational citizenship behaviour (OCB). In other words, people who are happy with their jobs tend to be happy to give back to the organisation by going beyond their call of duty to engage in altruistic behaviour towards their colleagues and organisation.

However, many managers do not take issues of job satisfaction seriously, in spite of the obvious relationship between job satisfaction and important organisational variables, which influence outcomes such as profitability. Some managers assume that their workers are more satisfied than they actually are. Organisations should, therefore, conduct regular surveys to evaluate their employees job satisfaction and address issues that may cause dissatisfaction.

## **4.0 Conclusion**

Job satisfaction is very important in organisations due to its pervasive effect on employees' behaviour in organisations, which can mean the success or failure of the organisation. Managers should, therefore, pay close attention to issues relating to their workers satisfaction with their jobs.

## **5.0 Summary**

In this unit, we considered the meaning and sources of job satisfaction, possible responses of dissatisfied workers, and the effect of job satisfaction on some important work-related variables.

## **6.0 Self-Assessment Exercise**

Discuss the relationship between job satisfaction and the following variables:

Job performance

Organisational citizenship behaviour

Customer satisfaction

Absenteeism

Employee turnover

Counterproductive behaviour

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## Unit 5 Emotions

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### 1.0 Introduction

Some days you appear to get up from the wrong side of the bed. You are pensive and irritable, often taking it out on people around you. At other times, you are happy, friendly, and easy to get along with. The emotions you display make it easy or difficult for people to interact with you. Your emotions may also affect your performance and that of people working with you. That will, in turn, affect organisational performance. Furthermore, organisations often require their employees to display certain emotions when relating to colleagues and customers. Sometimes, the required emotion may be different from the way you actually feel, leaving you in a position in which you display a false emotion because it is different from how you feel. This is called emotional dissonance, which has implications on your performance, health, and other important work-related variables. So, it is important that managers understand employees' emotions and how to help employees to better manage their emotions in the workplace.

### 2.0 Objectives

At the end of this unit, you should be able to:

- explain the meaning of emotions
- identify basic emotions
- discuss the functions of emotions
- explain emotional labour, emotional intelligence, and emotional regulation
- discuss the applications of emotions in organisational behaviour.

### 3.0 Main Content

#### 3.1 Meaning of Emotion/Mood

- Emotion
- Emotion is an intensive feeling towards something or someone, e.g. anger, happiness, frustration, love, fear, surprise.
- Emotion can downgrade into mood and mood can exacerbate emotion. For example, a specific positive emotion, say happiness, may dissipate leaving the person feeling generally good spirited (mood) which cannot be ascribed to any specific event or object.
- Emotion is caused by a specific event,
- Is specific and of many types,
- Can only last briefly (seconds or minutes)



- Usually accompanied by specific facial expressions
- Is action-oriented.
- Mood
- Mood is a less intensive feeling and not directed at something or someone
- Mood is caused by a general and non-specific event
- Has two main dimensions (positive and negative),
- Lasts longer than emotions (hours or days),
- Not indicated by any specific facial expression,
- Is cognitive-oriented.

### **3.2 Basic Emotions**

There are very many emotions including enthusiasm, disappointment, envy, contempt, pride, hope, desire, etc. However, there is no consensus on whether there are basic emotions or what constitutes it. Emotions are too complex and its expressions/interpretations are influenced by cultural norms in different countries of the world, creating so much heterogeneity for any possible consensus. Nonetheless, many researchers agree on six universal emotion namely; anger, fear, sadness, happiness, disgust and surprise.

### **3.3 Functions of Emotions**

- Emotions are crucial to rationality. Loss of emotions results to loss of reasoning. Good decision-making requires both thinking and feeling.
- Ethical behaviour requires emotions and feelings to accept guilt over misdemeanours, sympathise with others, condemn injustice, etc. Ethical decisions are based on emotions and feelings.

### **3.4 Emotional Labour**

Work requires not only physical and mental labour but also require emotional labour, especially for service providers.

Emotional labour can be described as a situation in which an employee is compelled to display emotions that are different from his or her felt emotions because such emotions are required by his or her organisation during interpersonal interactions at work. For example, workers should be courteous to their colleagues and customers; nurses and doctors should show no emotion; shop attendants should be cheerful, etc.

Sometimes, the actual emotion of the employee (felt emotion) is the same with the emotion he or she is required to express (displayed emotion), but at other times, displayed emotion is different from felt emotion (emotional dissonance).

Organisations expect employees to suppress felt emotions in favour of displayed emotions (surface acting). An employee being cheerful at customers when she actually feels sad is an example of surface acting. But the employee can make effort to actually feel cheerful instead of sad. This is called deep acting. Studies show that surface acting is stressful and exhausting because of the emotional dissonance, and employees should be given breaks to rest and relax.

### 3.5 Emotional Intelligence

Emotional intelligence (EI) is described as a person's ability to:

- a. Perceive emotions in his or herself and in other people
- b. Correctly interpret these emotions
- c. Control his or her emotions.

Studies suggest a correlation between emotional intelligence and job performance. Proponents of emotional intelligence further flaunt its intuitive appeal, and biological base. However, opponents of emotional intelligence argue that there is no consensus on the definition of emotional intelligence: some use ability-based approach while others use self-report measurement approach, which are different definitions and barely correlate each other.

### 3.6 Emotional Regulation

Emotional regulation involves the identification and modification of emotions individuals feel. One can modify emotions by:

- Suppressing negative thoughts
- Re-evaluating the situation or incident
- Engaging in pleasant conversations or thoughts, etc.

Some people are good at emotional regulation while others are not, e.g. low self-esteem people.

Disadvantages of emotional regulation include:

- a. Exhaustion from trying to suppress an emotion
- b. Worsening the emotion you want to change by focusing on it, etc.

### 3.7 Applications of Emotions and Moods in Organisational Behaviour

- I. Positive emotions and moods help in making good and quick decisions, and help in boosting problem-solving skills. Emotionally depressed people make poorer decisions because they process information slowly, looking for an elusive perfect solution.

2. Emotions and moods have been shown to influence motivation. Happiness and positive feedback create positive mood, which leads to higher motivation and better performance.
3. Employers should consider emotional intelligence as an important requirement in employee selection, especially for job positions with high interpersonal interactions. Studies have found employees with high emotional intelligence perform better on such jobs than those with low emotional intelligence.
4. Employees' emotions and moods affect customer satisfaction and retention. Emotional contagion means employee emotions can be transferred to customers, *vice versa*. For example, employees' cheerfulness and friendliness can, and do elicit similar reactions from customers, which can make them shop longer, repeat patronage, refer customers, etc. Negative emotions and moods are also contagious.
5. Studies show that good moods produce creativity than bad moods. Organisations should, therefore, keep their employees happy in order to boost creativity. However, some people argue that good moods may make people complacent and not engage in creative thinking.
6. A leader's ability to incorporate emotional appeal to his or her subordinates is a critical factor in making them buy into the leader's visions, programmes, and its accompanying change. The positive emotional content of a leader's speech activates greater optimism, enthusiasm, positive atmosphere, etc., that improve employee organisational performance.
7. However, in a bid to display positive emotions, employees may experience emotional dissonance, which over time reduces job satisfaction and performance due to burnout, etc.
8. Bad moods can result in injury in the workplace due to fear and anxiety, which can reduce individuals' ability to effectively cope with hazardous situations. Negative moods can also cause distractions that can lead to injury at work.
9. Finally, negative emotions and mood may result in counterproductive behaviours. For example, anger or envy can make people malicious, backstab, and be hostile to other people, etc.

## 4.0 Conclusion

From our discussion in this unit, we saw that emotions are linked to rationality and ethical behaviour, performance, creativity, motivation, customer satisfaction and retention, counterproductive behaviours, and injury. It is, therefore, important for managers and organisations to help their workers to master their emotions through emotional intelligence and regulation, for instance.

## 5.0 Summary

In this unit, we studied the meaning of emotions, basic emotions, functions of emotion, emotional labour, emotional intelligence, emotional regulation, and applications of emotions and moods in organisations.

## 6.0 Self-Assessment Exercise

“There is no place for emotions in running the affairs of this organisation”. Discuss.

## 7.0 References/Further Reading

Gibson, J.L., Ivancevich, J.M., & Donnelly, Jr., J.H. (1994). *Organisations*, (9th ed.). Boston: Irwin/McGraw-Hill.

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## Unit 6 Motivation

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### 1.0 Introduction

Sometimes, you find yourself working very hard at achieving a particular goal for as long as it takes to achieve that goal. It may be in completing a book, building a house, planning a wedding, or achieving work assignments, etc. You were motivated! At other times, however, you were neither interested in working that hard, nor pursuing a particular goal. You were not motivated. You tend to achieve many goals when you are motivated to pursue those goals. Conversely, you achieve little or nothing when you are not motivated. Even as a student, you tend to attend classes more regularly, study harder, do assignments, and perform better in examinations when you are motivated to earn a degree. The reverse is the case when you are not motivated. Organisations need motivated employees to achieve organisational goals. Effective managers are those managers that know how to motivate their workers to consistently put in their best efforts at work.

### 2.0 Objectives

At the end of this unit, you should be able to:

- a. explain the meaning of motivation
- b. discuss some the early theories of motivation
- c. Explain some of the contemporary theories of motivation.

### 3.0 Main Content

#### 3.1 Meaning of Motivation

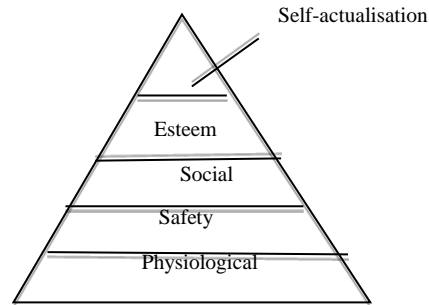
Motivation involves intensity and persistence of effort toward the achievement of a goal. Intensity refers to how hard a person works; the direction refers to the purpose the effort is channelled to (which in the context of organisational behaviour is the attainment of organisational goals); while persistence refers to how long the person keeps making the effort, which should be long enough to attain the desired goals. So, we can define motivation in Organisation Behaviour more specifically as the processes that account for an individual's intensity and persistence of effort towards attaining organisational goals.

#### 3.2 Early Theories of Motivation

The following are some of the early theories of motivation put forward in the 1950s and they form the foundation of contemporary theories on motivation. However, the validity of these early theories are largely unsupported by data.

##### **Hierarchy of Needs Theory**

This theory was propounded by Abraham Maslow. He opined that every human being faces a hierarchy of five needs namely; physiological, safety, social, esteem and self-actualisation needs.



- Physiological needs refer to basic human needs and include food, shelter, clothing etc.
- Safety needs refer to security and protection of human life, property and source of livelihood.
- Social needs are need for acceptance, friendship, love, affection and relationship.
- Esteem needs consists of internal and external components. Internal component of esteem need includes need for self-respect, achievement and autonomy, while the external component includes need for recognition, status, attention.
- Self-actualisation need refers to need for fulfilment, growth and achievement of individual potentials.

The insatiable nature of human beings means that no need can be fully satisfied but they can be substantially or reasonably satisfied. A substantially satisfied need ceases to be dominant and is taken over by another need. Maslow opined that the key to motivating an employee is to understand the hierarchy of need that the person is on, and try to satisfy those needs as well as those on the next level.

Abraham Maslow divided the five hierarchies of needs into lower and higher order needs.

- Lower order needs consists of physiological and safety needs.
- Higher-order needs consist of social, esteem and self-actualisation needs.
- The difference between lower-order and higher-order needs is that lower-order needs are satisfied externally (i.e. outside of the person), while higher-order needs are satisfied internally (i.e. inside the person).

Though this theory is popular among managers, it is not empirically validated.

### **Theory X and Theory Y**

These theories propounded by Douglas McGregor represent two different views of human beings. Theory X is based on a negative view of workers, while Theory Y is based on a positive view of workers. Theory X assumptions are negative. For example, it assumes that employees inherently dislike work and, therefore, must be coerced, directed, or threatened with punishment before they can perform. Conversely, Theory Y assumptions are positive. For example, it assumes that work is natural to employees just as play or rest are. They, therefore, need not be coerced before they can perform.

Theory X assumes that employees are dominated by lower-order needs, while Theory Y assumes that employees are dominated by higher-order needs. McGregor himself subscribed to the assumptions of Theory Y, which he believed were more valid than the assumptions of Theory X. Consequently, McGregor proposed responsible and challenging jobs, participative decision-making and good group relations as ways of maximising employee's job satisfaction. However, there is no empirical validation of either Theory X or Theory Y.

### **Two Factor Theory (Motivation-Hygiene Theory)**

Fredrick Herzberg wanted to know what people wanted from their jobs, by asking people to describe situations in which they felt exceptionally good or exceptionally bad about their jobs. From the data collected, Herzberg found as follows:

- Satisfied workers attribute the factors to themselves e.g. responsibility, achievement, recognition, etc. (motivational factors), while dissatisfied workers attributed it to factors outside of themselves e.g. pay, working condition, supervision, company policies, etc. (hygiene factors).
- Dissatisfaction is not the opposite of satisfaction, as was thought. The opposite of "satisfaction" is "no satisfaction," while the opposite of dissatisfaction is "no dissatisfaction." This is because he found that the factors that lead to job satisfaction are distinct from the factors that lead to job dissatisfaction.
- The removal of factors that create job dissatisfaction (hygiene factors) may not necessarily result in employee motivation.
- Herzberg was of the view that intrinsic factors such as responsibility, achievement recognition, promotional opportunities etc., were the factors that can motivate employees.

However, this theory is not well validated empirically. Its criticism relates majorly to its methodology- its reliability, reliance on self-reporting, no overall measure of satisfaction, etc.

## **3.3 Contemporary Theories of Motivation**

These theories of motivation reflect recent thinking on how employees are motivated.

### **Self-Determination Theory**

This theory is of the view that people prefer to feel that they freely determine their actions, that is, that they have control over their actions. Anything or situation that makes them feel that they have lost control over their action will compromise their motivation.

Besides autonomy, this theory is of the view that people seek opportunities to achieve competence and positive relationship with other people.

The effect of extrinsic reward and work standards on motivation depends on whether or not the employee considers them as being coercive or not. When an employee considers them coercive, his or her motivation will be compromised because it takes away his or her

control over his or her actions. But if they allow the employee to exercise control over his or her behaviour, it will have positive effect on intrinsic motivation.

The implication of this theory is that people should choose their jobs for intrinsic reasons, not just extrinsic reasons. On the side of organisations, managers should provide intrinsic rewards as much as extrinsic rewards. Employees' autonomy helps them to exercise some control over their work behaviours and, therefore, experience more motivation and commitment.

### **Equity Theory/Organisation Justice**

Employees perceive their work outcome (e.g. remunerations, recognition, position,) and their input (e.g. effort, education, experience), and compare their outcome-input ratio with the outcome-input ratio of relevant others. An employee perceives equity or fairness/justice when his or her outcome-input ratio and that of relevant others ( $O/IA = O/IB$ ). There is inequity, unfairness, injustice, when the employee perceives that his or her outcome-input ratio is less than that of relevant others ( $O/IA < O/IB$ ) – under-reward, or that his or her outcome-input ratio is greater than that of relevant others ( $O/IA > O/IB$ ) – over-reward. A stage of inequity creates tension: under-reward creates anger while over-reward creates guilt. Tension creates the motivation to take corrective measures.

### **Referents**

There are four referent comparisons the employees can make namely;

1. Self-inside: The employee's experiences in another position in the same organisation.
2. Self-outside: The employee's experiences in another organisation.
3. Other-inside: Another employee or group of employees in the same organisation.
4. Other-outside: Another employee or group of employees in another organisation.

However, these comparisons are moderated by four variables namely, length of service, level of education or professionalism, gender, and position in the organisation.

Employees that feel inequity can make any of the following choices;

- Change inputs
- Change outcomes
- Distort perceptions of self
- Distort perceptions of others
- Choose a different referent
- Quit.



However, some of the propositions of equity theory have not been supported. For example:

- Over-reward inequity appear not to significantly influence employee behaviour because over-reward is either better tolerated or better rationalised, which compromises a part of the theory namely; that over-reward creates inequity.
- Some people prefer their outcome-input ratio to be less than that of relevant others, so equity theory's predictions may not be correct regarding this type of people.
- Some employees seek equity in non-monetary rewards such as official vehicles, well-furnished offices, high status, etc., and not just pay, which is the focus of equity theory research.
- Researchers have adopted a broader scope to the study of equity namely; organisational justice, which goes beyond distributive justice to include procedural and interactional justice. Procedural justice refers to the perceived fairness of the distribution process. Interactional justice refers to an employee's perception of the extent to which he or she is treated with dignity and respect.

Studies show that employees in all cultures prefer an equitable distribution of rewards to an equal distribution. The same basic principles of procedural justice are adhered to, while workers globally prefer performance-based rewards than seniority-based reward.

### **Expectancy Theory**

Victor Vroom's expectancy theory posits that employees' tendency to behave in a particular way is a function of their expectation of a desired outcome. For example, an employee's motivation to exert a high level of effort may derive from his or her expectation that the effort will result in good performance appraisal, which will, in turn, attract organisational rewards like promotions, bonuses, salary increases, etc., that attracts his or her personal goals or desires.

Expectancy theory explains why some workers are motivated while others are not.

1. Employees will not make maximum efforts if they are not convinced that such efforts will lead to good performance appraisal. This lack of conviction may derive from the employee's skill deficiency, which means that he or she lacks the capacity to perform well; or from employee's conviction that he or she is hated by the manager. In these cases, the employee may suffer low motivation because he or she believes that no amount of effort will get him or her a good performance appraisal.
2. Employees tend to be highly motivated if the organisation rewards performance. But if the organisation rewards things other than performance (such as seniority, loyalty, etc.) employees are likely to be poorly motivated because of the poor link between rewards and performance.
3. Employees tend to be poorly motivated if the reward they get is not attractive to them, that is, they don't get the rewards they desired. For example, an employee who works hard in the expectation of getting a promotion may end up getting salary increment or a certificate of recognition. This may arise from a manager's failure to differentiate

rewards to suit individual needs or the shortage of rewards to distribute. A situation in which rewards do not satisfy employees personal goals tend to be de-motivating.

In spite of its criticism as having limited application, this theory explains why a substantial portion of the workforce applies little efforts on their jobs.

## 4.0 Conclusion

Motivation is critical to achieving superior performance and the actualisation of organisational goals. Employees can be motivated by extrinsic or intrinsic rewards. It is the duty of managers to understand their subordinates as a way of understanding what motivates each of them. This is because individuals differ in terms of what motivates them; a “one cap fits all” approach does not apply to employee motivation.

## 5.0 Summary

You obviously understand that we could not review all the theories of motivation in this one unit, especially the contemporary theories. However, we were able to review some of the early theories namely; hierarchy of needs theory, theories X and Y, and hygiene theory. We also discussed some of the contemporary theories namely; self-determination theory, equity theory, and expectancy theory.

## 6.0 Self-Assessment Exercise

Discuss any two contemporary theories of motivation and show how they relate to each other.

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