
Chapter 7

Motivation

Higher Level

Past Exam notes (For this chapter)

WHAT IS MOTIVATION?

^{Def} Motivation is a powerful energy that drives and excites employees and results in their contribution to the business. Setting and achieving goals, clear expectations, recognition, feedback all contribute to an increase in workplace motivation

IMPORTANCE OF MOTIVATION

Motivation is important because of the following

1. Increase productivity - Staff are happier so work harder
2. Greater Intra-preneurship - staff will become more creative and innovative
3. Improved Industrial Relations - motivated staff are less likely to strike as they are happy
4. Easier to retain and recruit staff- This can save costs
5. Repeat Business - Customer are more likely to come back

In this section you will look at 2 theorists

1. Maslow Hierarchy of needs
2. McGregor Theory X and Theory Y.

MASLOW HIERARCHY OF NEEDS

^{Def} This says that all humans' needs can be arranged in a hierarchy (pyramid) in order of importance

TIP - You must know the diagram, draw it and label it

1. Maslow Hierarchy of needs is in a pyramid with the basic needs for example physical needs of food and water at the bottom leading up to more complex needs of self-actualisation - reaching you full potential at the top.
2. When one level of need is satisfied the next level becomes the motivating factor. For example, when the physical needs are met, safety needs are the motivating factors.
3. Maslow says that a person is motivated by a need. For a manager to motivate their employees they need to know what their need is at that particular time and put something in place to motivate the employee to achieve this need

4. If lower needs are not being met for example pay, the employee will be demotivated even if the higher

Maslow's theory of motivation is based on two assumptions:

1. Every employee has the same needs organised into a hierarchy of 5 categories.
2. Once a need is met it stops being a motivator. The next need becomes the motivating influence for the employee.

Past Exam Questions
 2023 Question 5 Part A (Deferred)
 2022 Short Question 4
 2019 Question 4 Part B
 2018 Question 4 Part B
 2014 Question 4 Part C
 2011 Question 4 Part B

Need	Description	Satisfied By
Self-Actualisation	Reaching your full potential	Providing challenging work, training and future education
Esteem	Status, respect from others. The need to be recognised by others	Providing praise, perks, job title (assistant manager)
Social	Relationships in the workplace. The need for interaction with other people	Providing a friendly work environment, staff parties and teamwork
Safety	Security - the need for certainty and physical safety	Providing secure employment - Contract of employment
Physical	Basic needs - food and water	Providing a staff canteen or a water fountain



Advantage (Benefits)	Disadvantages (Challenges)
1. People are motivated by more than money	1. People are complex
2. Different things motivate people	2. People don't just satisfy one need at a time
3. Way for manager to identify needs of their employees	

LIMITATIONS OF MASLOW HIERARCHY OF NEEDS

- Needs may not occur in the strict order specified by Maslow (cultural and individual differences)
- Not all employees are governed by the same set of needs and Employees may be driven by different needs at different Times
- Needs may not be all of equal value to the employees.
- Theory not based on rigorous sampling

MCGREGOR'S THEORY X AND THEORY Y

McGregor did research and found out that managers can be either have a Theory X attitude or Theory Y attitude towards motivating staff

Past Exam Questions
2022 Short Question 4

Theory X

Believe employees are	Offer employees	Style of Management
1. Lazy and dislike work	1. Financial incentives	Controller
2. Have no ambitions	2. Supervise Closely	
3. Dislike change	3. Avoid consulting staff	
4. Motivated by money	4. Threaten staff	

Theory Y

Believe employees are	Offer employees	Style of Management
1. Enjoy work	1. Interesting and challenging work	Facilitator
2. Have ambitions	2. freedom	
3. Open to change	3. Consult regularly	
4. Motivated by more than money	4. Provide plenty of encouragement	

Advantage (Benefits)	Disadvantages (Drawbacks)
1. High motivation	1. Reduced motivation
2. More creativity	2. Less creativity
3. Better Business reputation	3. Poor Reputation
4. Lower staff turnover	4. Higher staff turnover
5. Positive Industrial Relations	5. Reduced profitability
6. Increased Productivity	

IMPLICATIONS FOR A BUSINESS IF A MANAGER ADOPTS MCGREGOR'S THEORY X APPROACH TO MANAGING

1. Demotivated workforce

As a result of the autocratic approach and lack of consultation and empowerment with employees. This will result Lack of trust between the manager and employee and no delegation will mean low morale for employees

Past Exam Questions 2013 Short Q 10

2. High labour turnover

Employees leaving the job as they are not challenge and don't fell part of the business. This can lead to re -training costs for the company.

3. Industrial relations problems

This can lead to strike action which will have an impact on productivity/output. It can also lead to a toxic working atmosphere

4. Poor time management

This is because the Theory X manager will not delegate tasks, resulting in possible overwork and stress for the manager.

5. Low quality of work/output

There will be low quality of goods/services; lack of incentives provided to be entrepreneurial, to do things differently, and to take an interest in the work.

**IMPLICATIONS FOR A BUSINESS IF A MANAGER ADOPTS MCGREGOR'S THEORY Y
APPROACH TO MANAGING**

Implications can be positive such as:

1. High levels of trust

Industrial Relations are improved when the manager places trust and authority in their staff. Morale is improved. Less time is spent in resolving conflict.

Past Exam Questions
2023 - Question 5 Part B

2. Innovation

The improved communication may result in employees being more likely to innovate or come up with an idea for a new product, way of reducing costs

3. Improved communications

The atmosphere in the workplace is improved as the manager uses a two way system of communication. This reduces resistance to change and helps the organisation manage change effectively.

4. Delegation

By giving employees more authority motivation improves as employees feel more in control of their environment. This may lead to better customer relations, as a happy workforce enjoys engaging with the consumer. In service industries, this can result in increased sales and profitability.

5. An open style of Management

Management are open to employee suggestions and welcome an opportunity to discuss rather than give directions. This improved knowledge base can lead to more effective decision making and higher productivity in design/manufacturing businesses.

Implications can be negative, such as:

1. Delegation

May requires training and result in a pay claim. Training may be required if employees are use to an autocratic style of leadership. They may resist the theory Y approach to management concerning delegation. This could lead to poor industrial relations and the notion that new management is 'distributing extra work without pay' to employees.

2. New Communication Style

This could result in resistance to change The new approach to communication and discussion of ideas may not be successful if the manager is newly appointed. Internal factors such as reactions to promotions or resistance to outside appointments may stagger the perceived benefits of a theory y approach to managing.

Chapter 6

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Past Exam Questions (For this chapter)

SHORT QUESTION**2022 - Question 4**

Circle the correct option in the case of each of the following statements.

- (i) Maslow / McGregor believed that once a need is satisfied the need immediately above in the hierarchy becomes the dominant motivator.
- (ii) Theory X / Theory Y managers believe workers are hardworking and self-motivated.
- (iii) Workplace friendships satisfy social / safety needs.
- (iv) There is a high / low staff turnover if managers trust and respect employees.
- (v) Physiological / Self-actualisation needs are satisfied by challenging work.

2013 - Question 10

Outline two possible implications for a business if a manager adopts McGregor's Theory X approach to managing:

(i)

(ii)

LONG QUESTIONS**2023 - Question 5 (Deferred)**

Jim Galvin, Director of People and Operations in the Irish Aviation Authority, is a speaker on leadership and motivation. He references motivational theorists such as Douglas McGregor and Abraham Maslow

- (A) Outline, giving an example, how a business manager could use each level of Maslow's Hierarchy of Needs to motivate their staff
- (B) Explain three implications for a manager of adopting a Theory Y approach to management (20)

2019 - Question 4

B Read the information supplied and answer the question which follows.

Hexagon Solutions is a global software design company operating in Dublin. It offers competitive salaries and long-term contracts of employment to all employees. A team structure exists in the business where employees from all over the world work together on innovative projects. Staff ideas are accepted, and innovation is rewarded. Hexagon supports employees who take on further studies.

Outline the different stages in Maslow's hierarchy of needs theory and illustrate how Hexagon Solutions applies this theory to motivate its employees. (20)

2018 - Question 4

- (B) (i) Explain the 'hierarchy of needs' developed by Maslow in his theory of motivation.
- (ii) Discuss possible limitations of this theory of motivation. (25)

2014 - Question 4

(C) Read the information supplied and answer the question which follows.

3 Dimension Ltd offers competitive salaries to its employees and a benefits programme that includes healthcare insurance. It is committed to providing a safe and healthy work environment. Its holds weekly team meetings, enhancing the workers' sense of belonging. It recognises and rewards staff achievement and provides opportunities for staff to develop new skills and experience new challenges.

Outline the different stages in Maslow's hierarchy of needs and illustrate how 3 Dimension Ltd applies this theory to motivate its employees. (20)