

Course Name: Organizational Behaviour: Individual Dynamics in Organization

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Week – 07

Lecture – 03

Lecture 33: Tracing the roots: Early theories-2

Hello students, welcome back to the course on Organizational Behavior: Individual dynamics in Organisation. So, in the previous sessions we had looked into the early theories of motivation. So, we have started with what exactly motivation is, what are the different types of motivation and we also looked into what are the different early-stage theories. So, we continue from where we left.

I am Dr. Abraham Cyril Issac, faculty at the School of Business, Indian Institute of Technology, Guwahati.

Let us start today's session with the theme, motivation is powered by one's own needs. Now, we have extensively looked into the need hierarchy when we discussed Abraham Maslow. So, today we look into the ERG theory. If you look into the ERG theory specifically to bring Maslow's need hierarchy theory of motivation and synchronization with empirical research, Clayton Alderfer, redefined in his own terms, his rework is called as the ERG theory of motivation.

So, he re-categorized entire Maslow's hierarchy of needs. So, this theory or the ERG theory is an extension of Maslow's hierarchy of needs, but there are certain subtle differences between Maslow's hierarchy of needs and the ERG theory which I will be explaining in the coming slides. But to put things into perspective, ERG means existence needs, relatedness needs and growth needs. That is ERG theory.

So, the first and the foremost of the basic of the prime need is the existence need. These include need for basic material necessities. In short, it includes an individual's physiological and physical safety needs. So, if you try to corroborate this with the Maslow's hierarchy, you will see that the physiological need which was at the bottom and the next one, the safety and security almost is encompassed under this existence need. We look into the relatedness need. It is much similar to the next few hierarchies of Maslow's needs.

So there are quite a few similarities between Maslow and Alderfer's ERG theory. The relatedness needs is nothing but it includes the aspiration individuals have for maintaining significant interpersonal associations or interpersonal relationship, be it with family, be it with the superiors, the boss, the colleagues, getting public fame recognition. So, when you are looking to the Maslow's hierarchy, something like love, affection, affiliation, these are connected to or these are corroborated with relatedness needs when it comes to ERG theory. And the final one is the growth need. Growth need include the need for self-development, the need for personal growth, need for advancement.

It could be in terms of the career, in terms of where you are standing at this point in time, in terms of the whole development of the individual per se. Self-actualization of Maslow, if you remember the highest hierarchy, the topmost hierarchy of Maslow which is self-actualization needs and the intrinsic component of esteem which was the second one from the top, needs fall under this particular category of growth needs. So, ERG needs essentially the existence need, relatedness need and the growth need are a certain extension of Maslow's hierarchy of needs, but there are certain differences which are something like this.

One is if you look into the Maslow's hierarchy, it was more from one level to next level to next level. Similarly in ERG theory also the existence needs to the related needs from the relatedness need to the growth need. So there is a constant progression that's happening and this progression leads to the satisfaction of the individual and this is how the motivation is defined. But unlike the hierarchy of Abraham Maslow which does not talk about any regression, ERG needs specifically talks about this particular regression. That is there is a possibility that growth need if it is not satisfied, it can come down to the relatedness need level and again if that is not getting satisfied, it can come down to the basic existence need. So, it is not a one-way channel as it was in the Maslow's hierarchy of needs whereas ERG theory is more of bidirectional aspects. So, if your needs are getting satisfied, there is a constant progression, there is a constant progression in the motivation level that you are getting.

But once you are stuck up at a particular level, let's say at relatedness needs, my need for affection, affiliation, love is not getting satisfied, there is a possibility that my motivation level drops and I come back to my existence needs. So, my lookout or my intention would be just basic physiological and physical existence or thriving. So, this is the subtle difference specifically when we compare Maslow as well as the Alderfer's ERG theory.

Now let's look into some other differences specifically with respect to hierarchy versus non-hierarchy. Maslow's hierarchy of needs presents a hierarchical structure which I have already mentioned whereas Alderfer's ERG theory is not a strict hierarchy, instead it

categorizes needs into the three groups.

Whereas you look into the categorization itself, Maslow has a five distinct categorization. Whereas Alderfer, his theory comes with these three categories of ERG. So, this is not a strict categorization as in case of what we see in terms of Maslow. Yet another difference would be flexibility. Maslow's hierarchy of needs implies a rigid sequence whereas Alderfer's ERG theory is more flexible by acknowledging that a regression from one level to the previous level can happen.

When you look into the practical implication side of Maslow's hierarchy of needs, Maslow's theory has been criticized for its lack of empirical support and its limited practicality in real world settings because if you look into your own perspective, your own situation, you are venturing into an organization, I totally agree with Maslow. There are situations if you introspect, you can just support my statement. We totally agree with Maslow that there is a hierarchy of needs the moment each hierarchy is getting satisfied, each set of needs are getting satisfied, you move to the next level. But in practice, in the world of practice things are different. There could be a possibility that you are not getting exactly what you want at one particular level and there is a good possibility that you come down to the previous level. So, this is what ERG theory takes care of and this is the basic reason why ERG theory is considered more practical in understanding and addressing human motivation especially in the workplace situations.

So, these were some of the differences between the hierarchy of Abraham Maslow as well as the ERG theory.

Now coming to the McClelland's theory of needs. McClelland's theory of needs was quite famous mainly because of the relatedness with some of the essential job descriptions that it can be related to or it can be associated with. McClelland's theory of needs was developed by David McClelland and his associates and it mainly looks into three particular needs.

When you look into the needs specifically one is need for achievement, nAch. Need for achievement is a drive to excel, to achieve in relationship to a set of standards. So, I have set a certain standards. There are certain standards set by the industry. There are certain standards set by the organization. There is an inherent need for achievement. Now this need for achievement is interesting because if you look into the odds, if it is too high and too low, too low odds means it is easy to get the target and vice versa in case of too high odds. But both these situations the people having high need for achievement do not thrive very. Instead they need to work hard; they need to see result in their action. This is the ultimate requirement of people with need for achievement. Now this is what is straight away correlated with somebody like entrepreneur.

Now he or she is ready to put in effort but there is an ultimate need for achievement that has to be visible. Now if that is not happening then suddenly, they find themselves disengaged from the whole cause. They find themselves disengaged from the whole aspect of business which they were otherwise very motivated to work in. So, need for achievement is nothing but the drive to excel, to achieve in a relationship a set of standards that either would be set by you or your competitor, your benchmark industry whatever it could be.

The second important theory when it comes to McClellan's theory of needs is the need for power. Now this is interesting. Need for power is the need to make others behave in a way they would not have done otherwise. So, this is a basic definition of power and we go to power in detail in the coming modules and we look into power in those modules in a detailed fashion. But need for power is to get that control over somebody. So, it might not escalate into the odds. It is not dependent on high odds or low odds as in case of need for achievement. Moreover, power is or need for power is to have a control over others. So sometimes you see individuals come into company, come into an organization, come into an organizational set up at least or a group or team. They might not be very keen in getting the need for achievement. They might not be too much eager to achieve a target.

The eagerness would be to control others. These are the set of people who are with high need for power. Now this is also interesting for the simple reason that in organization you find that there is a combination of all these people and it is difficult yet interesting to work with all sorts of people with different types of needs. One could be need for achievement, another could be need for power and the third could be even need for affiliation. There are some people who would like to be known as the relative of the CEO or let us say they would want to be affiliated with the group. I am part of the group. They get a certain reinforcement as being understood that you are the core member of the group. They do require that.

When you are into a group activity, let us say you as a student if you are into a group task, sometimes you feel that some people are more oriented towards achieving or reaching the deadline, reaching the end result. Some people are more interested and they get the reinforcement, the positive reinforcement when they tend to get a situation where they can control others. There is a third situation when there are people who tend to get the desired positive reinforcement when they see that they are part of the bigger group or part of the core group, part of the decision-making group and they are affiliated to that particular group. So, basically this is in fact if you ask me one of the most important theories of motivation. If we leave Abraham Maslow's hierarchy of needs, McClelland's theory has a severe impact in organization.

He has categorically understood that there are different types of people. There are some people who are focused only on the achievement part, some people who are focused on having a control or taking control over others and there are obviously people who tend to feel or they want that sense of affiliation and affection in their day-to-day work life. This is a nutshell of what you call as David McClelland's theory of needs.

As I have already mentioned there are three elements in McClelland's needs. One is nAch which is need for achievement, need for power and need for affiliation. So, this is something which is clearly portrayed by McClelland in his theory.

Now let's look into the final theory in the early-stage theories which is two factor theory. Now two factor theory is dedicated to or Herzberg's contribution is being taken as or considered as one of the foremost theoretical contributions to the field of motivation.

Herzberg's two factor principle says that in an organization there are satisfiers and there are dissatisfiers. Now these are terminologies which are quite intriguing but if you understand them clearly you will tend to appreciate that in every single organization you get to face them. Let's look into some of the factors like what he calls as hygiene factors. So, there are two types of factors, one is a set of motivating factors and another is set of hygiene factors.

Let's look into the left side job dissatisfaction. Now there are certain factors which are called as hygiene factors like working conditions, salary, supervisor quality, policies and rules of the organization that are hygiene factors in the sense that there could be a possibility that those factors might exist and might not lead to satisfaction but they are very much required not to provide dissatisfaction. In other words, they are vital in the thriving of that particular individual within the organization. So, you are very keen to have a good working condition, you are very keen to have a good salary, you are very keen to have a good supervisor, you need to have a quality supervision, a good set of policies and rules which are humane and which are favorable and you need to have very good salary. So, these are certain points which do not tend to motivate you in terms of the satisfaction level increase rather these are some of the pertinent factors you feel as an employee should be there in my organization if I have to be not dissatisfied.

So these are the hygiene factors. Let's look into the other side of the continuum because Herzberg was a person who has given a continuum in a clear fashion and I will explain it now. The second factor, the second side of the diametrically opposite side is job satisfaction which are influenced by motivators or motivating factors. So, there are hygiene factors and there are motivating factors. Factors like achievement, recognition, responsibility, the work itself, advancement within the organization and personal growth. These are some of the situations or some of the factors which can actually trigger

satisfaction within you and you tend to develop yourself better or you are getting motivated.

So some factors are bare minimum that should be there and those are hygiene factors, but these essentially do not translate to motivating factors. The factors like let's say achievement, recognition, responsibility, advancement, personal growth, work, the strain and stress in the work, the challenges in the work, the complexity and the uncertainty of the work which you generally are so keen, so happy about. These are the things that will add job satisfaction. So, these are some of the motivating factors. So Herzberg's two factor principle talks about improving the motivators increase job satisfaction whereas improving the motivators, improving the hygiene factors and tend to produce a situation where there is less dissatisfaction.

Now when you look into two factor theory specifically, intrinsic factors as I already discussed such as advancement, recognition, responsibility and achievement seem related to job satisfaction while some factors dissatisfied respondents tends to cite that extrinsic factors, let's say like supervision, pay, company, policies and working conditions, they are the dissatisfiers or the hygiene factors. Now Herzberg suggested that the opposite of satisfaction is not dissatisfaction as was initially believed. So, you take a bipolar continuum. So initially it was believed that you have satisfaction and you have dissatisfaction. But what Herzberg has come out with is a different bipolar continuum where the opposite of satisfaction is no satisfaction.

So you are not satisfied does not mean that you are dissatisfied. You do not have satisfaction essentially means that there could be a situation where you are not satisfied. It does not translate itself to dissatisfied. Similarly, dissatisfaction, the opposite is not satisfaction. If there is no dissatisfaction, it does not mean that there is satisfaction.

So this complexity was solved by Herzberg and if you think through this theory within your organizational setup, it will be clear. There are situations which you feel that there should be a good salary, there should be a good working condition, there should be a good relationship among colleagues, among co-workers. These are the basic things that you expect and these are the things which do not motivate you essentially. But these are the things which gives you or gives you the opportunity or it drives you to work, go to the work every day. But this essentially do not translate to your work. This essentially does not translate to motivation in work. So, for that you need satisfiers like career advancement, you have better learning opportunity, you have let us say good work in terms of the complexity and uncertainty, the work is very challenging. So, all these situations would actually lead to motivation.

So, Herzberg's proposition that a dual continuum, the opposite of satisfaction being not no satisfaction and the opposite of dissatisfaction being not no dissatisfaction is something which is clear. In other words, Herzberg's proposition that a dual continuum exists and the opposite of satisfaction is no satisfaction and the opposite of dissatisfaction is no dissatisfaction is the essential outcome of this particular study in case of two factor theory.

Now this is something which I would want to stress on. There are some situations in organizations which are deemed to be motivators. At least the higher management thinks that you are getting a good salary. You are working in a good environment in terms of the working conditions.

You are motivated to work. This is a wrong consideration. When you are giving situations or you are giving good working conditions to your workers, when you are giving good employee well-being or training so that people are working in synchronous way in a tandem fashion, then you are just giving the bare minimum. You are just giving what is already expected within the organization. Whereas you have to give something more challenging in the task.

You have to give some job enrichment to the job. You have to make the job cross-functional. You have to make the job interesting, add more elements to the job such that the job is uncertain, the job is challenging, the job requires teamwork. Those situations will make you thrive because those are essentially the motivating factors according to Herzberg. Those are the motivating factors. You provide a good salary, you provide working condition does not essentially translate to a motivating factor.

But the moment you create a situation where there is a challenging opportunity day by day, there is a challenging way of doing the task, there is actually a work enhancement, there is a career advancement that you are seeing within the organization, you are motivated. So here we have completed the early set of theories including we looked into the Abraham Maslow's hierarchy of needs. Today we looked into the ERG theory specifically which we compared it with the Maslow's hierarchy of needs, how it is different, how regression is possible in terms of the ERG theory. We also looked into David McClellan's theory of different needs, need for achievement, need for power, need for affiliation. So, all these needs are to be understood clearly to see whether you are motivated within the organization or not.

So that's all from today's session. See you in the next class. Bye-bye.