



Non-Financial Methods for Individual and Team Motivation



"What do you think . . . should we get started
on that motivation research or not?"

MOTIVATION. RETRIVED FROM
<http://www.artlex.com/ArtLex/m/motivation.html>

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Abstract

Individual and team motivation is an important factor for teams to achieve a common goal, accomplish a task or work towards an expectation. Motivation is the process of influencing an individual or team to expend increasing amount of effort over a period of time to accomplish a target. Team leaders often times link motivation with employee salary and other methods of financial compensation. This thinking is strongly misleading because financial methods are proven to be short term motivators only. In a situation such as economic crisis, cost reduction, or low profits, organizations are limited in financial resources to provide their employees. This report will provide selected non-financial methods to motivate individuals and teams within an organization. As the research has shown, team motivation is effective if every team member purpose and goals are aligned, each team member holds themselves and others accountable, and the project is difficult enough to challenge the team.

1 Introduction

More and more organizations realize that teams in most cases are able to develop more creative solutions and outperform the results of individual workers (Katzenbach and Smith, 2003). The level of motivation within a team has a high impact on performance and productivity whether or not the project goals are achieved. As Peterson noted, “[...] motivation can inspire, encourage, and stimulate individuals to achieve common goals through team-work” (Peterson, 2007). Therefore, every organization and every manager should have knowledge about how to motivate their teams in the most efficient way. The methods to motivate teams found from the literature are similar for motivating individuals (Clark, 2005). Furthermore, the manager can use tools to motivate each individual member of the team or/and he can motivate the team as an entity. As Clark noted, “motivating a team is often more challenging than motivating a single individual” (Clark, 2005).

Many managers link motivation with an increase in the salary of their employees. In the times of economic troubles, companies want to decrease their expenses as much as possible. Many managers overlook the fact that motivation methods are not limited to financial compensation such as increased wages and bonuses. As Deci states “money actually lowers employee motivation, by reducing the intrinsic rewards that an employee receives from the job” (Deci, 1972). Only if the employees have the feeling that they are paid less than their work contribution is worth, money will be a significant motivator. Dulski (2013) noted that “It’s analogous to Maslow’s hierarchy of needs: once people feel their basic needs are being met financially, and that they are paid fairly for their capabilities, then they quickly move on to focusing on motivators like meaning, collegiality and learning”. As a consequence, low cost to non-financial motivation methods are considered more effective and long term motivational increases. Therefore, this report focuses on methods and approaches to motivate individuals and teams on a low-cost to free basis. Please notice that this report will not provide a complete overview of all motivational theories and methods found in the literature.

In order to establish a common language, the most important terms in this paper will be defined and explained in this section. There are many different definitions for the term “teams”. In this report, the definition of Katzenbach and Smith is used which denotes teams as “small number of people with complementary skills who are committed to a common purpose, performance goals, or approach for which they hold themselves mutually accountable” (Katzenbach and Smith, 2003).

Because motivation is a very broad term and used in many fields, there exists many definitions with various focuses. For instance, Peterson defines motivation as follows: „Motivation is internal to each team member and derived from a team member’s desire to achieve a goal, accomplish a task, or work toward expectations.” (Peterson, 2007). This definition explains motivation from a team background, whereas Kanfer focuses on the individual: “Motivation is an internal state of an individual that influences the direction, intensity and persistence of behavior” (Kanfer, 1990).

2 Motivating Individuals

Studies show that motivation among employees is indispensable in organizations at all levels. In fact, motivation is a very important factor that determines the performance of an

employee. Richard (2006) mentioned that, employees who are motivated work beyond their abilities while those who are not do the minimal work just to get by.

Motivation among employees can be achieved in two ways, financial motivators and non-financial motivators. Employees or teams often respond when there is occasional increase in their compensations for a short period of time. Examples of financial motivators are bonuses, stock options, and increase in the salary. Due to the economic crisis, cost cutting on financial incentives, increased expenditures or low profits, the organization emphasizes the need for non-financial or low-cost motivators rather than financial motivators. In this report, five factors of low cost motivators are covered; Job enrichment, job enlargement, empowerment, flexible work environment, and team work. Before explaining these factors in detail, the next section focuses on approaches to identify the motivational needs of individuals.

2.1 Job Enrichment

Job enrichment is when employees are responsible for tasks that challenge their abilities and bring out the potential in solving the determined tasks (Orpen, 2001). Employees are motivated by the range of tasks with varying difficulties and complexity which give them the possibility to learn and gain new knowledge. While money is one way to motivate employees more and more workers want to be appreciated for the work they do. Employees should have more control over their projects. The new tasks are provided as opportunities and not as demands. This approach of job enrichment is implemented at Google. According to Gunnink(2008), "Google's 20% policy allows employees to spend a fifth of their time on a separate pet project of interest (Lashinsky, 2007). Gmail, Google's web-based email offering, was just such a project. This kind of job enrichment satisfies task variety, fosters the perception of autonomy insofar as an employee is free to choose the direction of the project, and of course results in both internal and public recognition if the project is promoted to Google's canonical offerings."

2.2 Job Enlargement

Job Enlargement allows employees to perform a wide variety of tasks that don't need any additional skills. The challenge remains the same for the additional tasks assigned as that of the initial assignment. Nayab (2011a) describes job enlargement as, "It ranks among the earliest approaches to reduce boredom, and bases itself as a solution to motivational theories that suggest division of labor causes boredom and alienation, and causes efficiency to fall. The first noteworthy application of job enlargement in the industry was in the 1960s, when IBM made changes in the production structure to include both machine setting and inspection in their machine operator's job profile, and also add to the role of foremen and supervisors." However, according to Riley (2012), there is an important risk involved in using this approach. The employees may not be motivated to work for same amount of pay with the increase in the number of tasks.

2.3 Empowerment

Empowerment is when employees are given authority to manage their job and take informed risk. The employees are allowed to make decisions and execute their ideas. Williams (2002), describes the empowerment as an approach to delegate assignments down the hierarchical levels in an organization in an effective way by providing the required resources, skills and knowledge. Empowerment boosts the motivation among employees showing the trust in employees and their decisions. It requires continuous feedback, appreciation and encouragement from the senior management. Nayab (2011b) provides an example of empowerment. "Xerox is a good example of how employee empowerment has pushed the company ahead. Xerox considers an empowered employee as someone who can do what is needed, subject "only to the boundaries of morals, ethics, law, process capability and price exposure" and without fear of reprisal for making a mistake. The company provides "line of sight" training to employees to make them realize how their role fits into upstream and downstream activities and has developed an extensive artificial intelligent process that documents and shares knowledge and floor level experiences across the board."

2.4 Flexible Work Environment

Flexible work environment is a balance between work and personal life. This is very crucial to most individuals. The ability to focus on multiple roles to achieve a work-life balance is accomplished through flexible work hours. Research (Chung & Tijdens, 2012; Jones & Jones, 2011) describes flexible work environment as flexible work hours that allow employees to start and finish work an hour earlier or later, part-time work hours, sabbaticals, long term leaves and shift work (as cited in Ahmad, Mohamed & Hashim, 2013). According to "4 way to reward", "Brent Longnecker, president of Longnecker & Associates in Houston, has found that offering flexible working hours and the occasional Friday afternoon off have proven to be great rewards. With the extra time, employees can take care of errands and enjoy a full weekend. On Monday, they return relaxed and ready to work. Regardless of the reward you choose to give, both Longnecker and Moynihan point out that they must be random and occasional. Once you start handing out gift certificates on a weekly basis, they become an expectation rather than a reward."

2.5 Teamwork

Teamwork is another important factor that contributes to the motivation among individuals in an organization. Glaze (2012) defines teamwork as "the coordinated activities of a cohesive group who contribute diverse skills and resources to accomplish a compelling common goal." Employees tend to build social relationships, reduce their boredoms by meeting different people. Individuals feel secure and strong working in a team as they help each other to achieve progress at a higher rate. An example of teamwork approach is described by Wilson (2005), "Dennis, a Florida attorney, owned three small retail stores that were just doing "okay." Then he heard a quote about teamwork that changed his total approach to business: "First you build the team, then the team builds the business." From that day on, Dennis focused his efforts on selecting, training, inspiring and leading his team. Then he got out of the way and empowered the team to build the business. When his family sold out to a larger company the team efforts

had propelled them from three “okay” stores to more than 500 stores and financial success beyond anyone’s wildest dreams.”

3 Motivating Teams

“How does the project manager create an environment conducive to outstanding team synergy and peak individual performance?” (Scholtes, 1998). A team manager has to choose the motivation methods according to the personalities of the team members, their background, the organizational culture and the basis working atmosphere within the team. Various methods and approaches to motivate teams and their team members, suggested by the literature, will be presented and discussed.

3.1 Setting Challenging Team Goal

According to the McClelland achievement motivation theory, individual’s achievement needs can be satisfied after finishing a challenging project (Yiqun, 2011). For example, a manager assigns an easy project to a high-performance team, they typically start immediately without facing initial difficulties. However, once the team discovers that their assigned project is not challenging enough, some team members may feel overqualified. Overtime, the team will probably lose interest and become unsatisfied. Finally, the team’s enthusiasm for the project will disappear.

On the contrary, to lead and increase team motivation, the manager may assign a challenging project. In consequence, the team may stop trying to finish the task at the beginning since they feel it is impossible to achieve the team goal. Even though the team might do some foundation work under the encouraging from their manager, they will lose the motivation to go on and refuse to try again after several attempts without positive results.

Designing and assigning projects to specific teams should not only meet the team members’ needs and wants but also should contain a certain degree of challenge to satisfy a team’s achievement. When a manager tries to assign a project, one should compose a team whose ability is just enough or a little less than the requirement to finish the task. However, as long as the team willing to utilize their potential capability and work hard, the project can be completed and their team goal can be achieved. Controlling the challenge of team goal properly can give team sense of achievement, consequently inspire and motivate team’s enthusiasm to their work.

3.2 Team Responsibilities and Mutual Accountability

Swezey and Salas suggestion for team motivation is “providing opportunities for each team member to take major responsibility for designing and directing a major task-related activity that affects the entire team” (O’Neil and Drillings, 1994).

Furthermore, Clark (2005) gives advice to “hold individual team members accountable for their contributions to the team effort”. When the team members feels responsible for single task and also feel accountable for the project output, every team member will be highly motivated to

help the team to advance towards the project goals. Katzenbach and Smith (2003) define team accountability as “the sincere promises we make to ourselves and others, promises that underpin two critical aspects of teams: commitment and trust”.

3.3 Belief in the Team’s Capabilities

If the team members think that the team is not able to perform the necessary actions, nobody will be motivated to work within this team. On the other hand, when the team members believe in the collective knowledge, skill and capabilities of their team, the entire team will be highly motivated and convinced that they can reach their goals. Therefore, Clark (2005) recommends to “Support a shared belief in the cooperative capabilities of the team”. Furthermore, he also suggests to “Foster mutual respect for the expertise of all team members” (Clark, 2005).

3.4 System of Rewards for Supportive Team Behavior

Swezey and Salas recommend another method in order to motivate teams. They suggest “employing positive enforcement techniques and developing a system of rewards for those who exhibit supportive behaviors toward teammates” (O’Neil and Drillings, 1994). In other words, managers should reward those team members who helping other team members, playing an important role in group discussions and trying to improve the team dynamic. By doing so, the team members will be more motivated to help building a high-performance team and to create a team environment, which enables effective and creative teamwork.

3.5 Homogenous and Heterogeneous Groupings of Team Members

Managers have the possibility of “Establishing both homogenous and heterogeneous groupings of team members for some teamwork activities” (O’Neil and Drillings, 1994). For instance, in cross-functional teams, the team members are motivated to work in this team because they have the possibility to learn from employees with different backgrounds and knowledge. As for homogenous group, team members will have the opportunity to learn from more experience team members on a project.

4 Conclusion

In conclusion, motivation is an important factor for individual and team performance. It is proven financial motivators such as bonuses, stock options or salary increases are short term motivators. Whereas non-financial or low-cost motivators such job enrichment, job enlargement, empowerment, flexible work environment, and team work are long term motivators. Individual and team motivators are similar, but a manager should understand each team members needs and wants because one motivator may increase the motivation for one may not be the same for the others. Team motivation is effective if every team member purpose and goals are aligned,

each team member holds themselves and others accountable, and the project is difficult enough to challenge the team.

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