



MSCA 643
Work Motivation, Evaluation,
Compensation, and Rewards
FALL 2005

Wednesday 11:45 to 14:15

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Office Hours: Tuesday 2:00-3:00 or by appointment

Course Description

Provides knowledge of human motivation and compensation systems as they affect organizational processes and behavior. Emphasis will be on major theories of human motivation and on the relation between motivational processes and personal and organizational outcomes. The effects of evaluation, compensation and reward systems on motivation will also be discussed.

Course Requirements

Participation in class discussions: The goal of this course is to introduce you to historical and current research on work motivation and compensation. The major portion of the course will be devoted to reading relevant sources and discussing what has been done and what remains to be done in the area of work motivation and compensation. Thus, class participation in the discussion will be a major requirement of this course. It is important that each of you participate, whether it is to ask a question, discuss a concept or an idea, relate it to something else you know, or express a brilliant idea you have! Of course, this requires that you attend every class. If you miss class, I will ask you to make up for this class by writing a 3 page paper, which will consist of a summary of the readings + your thoughts about them.

Weekly paper:

In order to have fruitful discussions, it will be essential that you read the assigned articles and chapters before coming to class. You will also be asked to prepare some discussion topics for the class. These topics can cover anything regarding the assigned readings, from questions about the theories and methods, to contrasting them with other known work in the field, to brainstorming about potential advancements in the domain of research.

Before each class, I will ask you to prepare a ½ to one page (maximum) discussion of questions you have, issues you want to address, or ideas that you have regarding the readings. I don't want a summary of the readings, I want *your* thoughts about them. These are due at the beginning of each class. You may also send me your weekly paper by e-mail before class (by Wednesday at 11:00) if you prefer.

Paper 1:

In 10 pages, write a paper comparing and contrasting 2 of the motivation theories we will study during the semester. Here are the theories you can choose from: Skinner's Operant Learning Theory (or Organizational Behavior Modification), Deci's Cognitive Evaluation Theory/Self-Determination Theory, Locke's Goal Setting Theory, Vroom's Expectancy Theory, and Adam's Equity Theory.

- For **each** theory that you choose:
 - Explain the level of analysis covered by the theory
 - Its main assumptions regarding human beings' functioning (needs/drives/cognition/affect) and the **nature** of motivation
 - What the theory says about motivating people
 - What the theory has been able (or not able) to predict (its empirical support)
- Then, compare and contrast the 2 theories on these issues.

You can get information from the papers you read in class, as well as by doing additional searches to get more information about empirical support (enough to have something to say without doing a complete literature review).

Please use AMR or APA style: double spaced, 12 point font, one-inch margins, with one or the other reference style.

Deadline: October 19th at the end of class. Please give me 2 copies.

Paper 2:

Option 1: Write a paper about a topic of your choice that relates to this course. Examples of papers include a review of selected work (with research propositions) or a research proposal (which includes a set of hypotheses and a methodology). This paper will require that you do a complete literature search of your topic. Papers should be written in APA or AMR style.

Option 2: Write a paper where you develop an incentive system (using Lawler's advice on pay systems) and choose 2 of the following motivation theories to explain your choice of system: Skinner's Operant Learning Theory (or Organizational Behavior Modification), Deci's Cognitive Evaluation Theory/Self-Determination Theory, Locke's Goal Setting Theory, Vroom's Expectancy Theory, Adam's Equity Theory. In your discussion, you need to take the organizational context into consideration (whether real or invented) to justify your choice of incentive system. You need to describe the incentive system enough so I could take this and implement it literally into an organization. You need to examine the potential effects of the incentive system on performance (which you must qualify), affect/attitudes, and well being of workers. You will need to go beyond the literature covered in class (meaning you must do a literature search) to support your predictions and see what effects have been found before.

Outline: (2-3 pages, excluding references) This should contain a good *initial* list of references (about 10-15) about your topic. Using bullets, outline the major sections of your paper with a few sentences explaining what you will talk about in each. Make sure you state your main argument/research question. To be handed in on **October 26th by the end of class**. You will lose 1 point per day (out of 10) after the deadline.

Paper: (15-20 pages, excluding references, tables, and figures) Write as if you were going to send this to AMR/AMJ/JAP. It is due **December 9th at 5:00pm** and you will lose 5 points per day (out of 30) after the deadline. Please give me 2 copies.

To help you in writing, (and also when you write up your thesis) you can find the following article in your coursepack:

Bem, D. J. (2002). Writing the empirical journal article. In J. M. Darley, M. P. Zanna, & H. L. Roediger III (Eds.), *The compleat academic: A career guide*. Washington, DC: American Psychological Association.

Grading:

Participation in class discussions:	20%
Weekly papers (total):	10%
Paper 1:	25%
Paper 2 outline:	10%
Term Paper:	35%

There will be no additional work provided for missed deadlines or to make up a low grade.

READINGS

September 7: Organizational Meeting

No assigned readings, we will go over the syllabus.

September 14: What Is Motivation? Overview of Pay Systems

Steers, R. M., Mowday, R. T., & Shapiro, D., L. (2004). The future of work motivation theory. *Academy of Management Review*, 29, 379-386.

Ambrose, M. L., & Kulik, C. T. (1999). Old friends, new faces: Motivation research in the 1990's. *Journal of Management*, 25, 231-292.

Lawler, E. E., & Jenkins, G. D. (1992). Strategic reward systems. In M. D. Dunnette & Hough, L. M. (Eds), *Handbook of industrial and organizational psychology*, Vol. 3 (2nd ed.). (pp. 1009-1055). Palo Alto, CA, US: Consulting Psychologists Press.

Lawler, E. E. (2000). *Rewarding Excellence: Pay strategies for the new economy* (Chapter 2). San Francisco, CA: Jossey-Bass.

September 21: Behavior Modification, Reward Systems

Luthans, F., & Martinko, M. J. (1982). Organizational behavior modification: A way to bridge the gap between academic research and real world application. *Journal of Organizational Behavior Management*, 3, 33-50.

Stajkovic, A. D. & Luthans, F. (1997). A meta-analysis of the effects of organizational behavior modification on task performance, 1975-1995. *Academy of Management Journal*, 5, 1122-1149.

Haynes, R. S., Pine, R. C., & Fitch, H. G. (1982). Reducing accident rates with organizational behavior modification. *Academy of Management Journal*, 25, 407-416.

Stajkovic, A. D. & Luthans, F. (2001). Differential effects of incentive motivators on work performance. *Academy of Management Journal*, 44, 580-590.

Kerr, Steven (1995, February). On the folly of rewarding A, while hoping for B. *The Academy of Management Executive*, 9, 7-14

September 28: Expectancy Theory and Pay-for-Performance

Mitchell, T.R. (1974). Expectancy models of job satisfaction, occupational preference and effort: A theoretical, methodological, and empirical analysis. *Psychological Bulletin*, 81, 1053-1077

Van Eerde, W. & Thierry, H. (1996). Vroom's expectancy model and work-related criteria: A meta-analysis. *Journal of Applied Psychology*, 50, 575-586.

Jenkins, C. D. Jr., Mitra, A., Gupta, N. & Shaw, J. D. (1998). Are financial incentives related to performance? A meta-analytic review of empirical research. *Journal of Applied Psychology*, 83, 777-787.

Beer, M., & Cannon, M.D. (2004). Promise and peril in implementing pay-for-performance. *Human Resource Management*, 43, 3-20

Gerhart, B. (2004). Commentary: Promise and peril in implementing pay-for-performance by Michael Beer and Mark D. Cannon. *Human Resource Management*, 43, 29-31

October 5: Equity Theory

Lawler, E. E. (1968). Equity theory as a predictor of productivity and work quality. *Psychological Bulletin*, 70, 596-610.

Colquitt, J. A., Conlon, D. E., Wesson, M. J., Porter, C. O. L. H., & Ng, K. Y. (2001). Justice at the millenium: A meta-analytic review of 25 years of organizational justice research. *Journal of Applied Psychology*, 86, 425-445.

Bretz, R.D., & Thomas, S.L. (1992) Perceived equity, motivation, and final-offer arbitration in major league baseball. *Journal of Applied Psychology, 77*, 280-287

Harder, J.W. (1992). Play for pay: Effects of inequity in a pay-for-performance context. *Administrative Science Quarterly, 37*, 321-335

Greenberg, J. (1990). Employee theft as a reaction to underpayment inequity: The hidden cost of pay cuts. *Journal of Applied Psychology, 75*, 561-568.

October 12: Intrinsic and Extrinsic Motivation

Deci, E. L., & Ryan, R. M. (2000). When rewards compete with nature: The undermining of intrinsic motivation and self-regulation. In C. Sansone & J. M. Harackiewicz (Eds.), *Intrinsic and extrinsic motivation: The search for optimal motivation and performance* (pp. 13-54). San Diego, CA: Academic Press.

Amabile, T. M. (1993). Motivational synergy: Toward new conceptualizations of intrinsic and extrinsic motivation in the workplace. *Human Resource Management Review, 3*, 185-201.

Sansone, C., & Smith, J. L. (2000). Interest and self-regulation: The relation between having to and wanting to. In C. Sansone & J. M. Harackiewicz (Eds.), *Intrinsic and extrinsic motivation: The search for optimal motivation and performance* (pp. 341-372). San Diego, CA: Academic Press.

Ryan, R.M, & Deci, E.L. (2000, January). Self-determination theory and the facilitation of intrinsic motivation, social development, and well-being. *American Psychologist, 68-78*

October 19: Goal Setting Theory

Locke, E. A., & Latham, G. P. (1990). *A theory of goal setting and task performance* (chapters 1 & 2). Englewood Cliffs, NJ: Prentice Hall.

Erez, M., Gopher, D., & Arzi, N. (1990). Effects of goal difficulty, self-set goals, and monetary rewards on dual task performance. *Organizational Behavior and Human Decision Processes, 47*, 247-269.

Latham, G. P., Erez, M., & Locke, E. A. (1988). Resolving scientific disputes by the joint design of crucial experiments by the antagonists: Application to the Erez-Latham dispute regarding participation in goal setting. *Journal of Applied Psychology, 73*, 753-772.

Klein, H.J., Wesson, M.J., Hollenbeck, J.R. & Alge, B.J. (1999). Goal commitment and the goal-setting process: conceptual clarification and empirical synthesis. *Journal of Applied Psychology*, 84, 885-896

October 26: Self-Efficacy and Goal Orientation

Bandura A. (1977) Self-Efficacy: Toward a unifying theory of behavioral change, *Psychological Review*, 84, 191-215.

Stajkovic, A.D & Luthans, F. (1998) Self-efficacy and work-related performance: A meta-analysis; *Psychological Bulletin*, 124, 240-261

Dweck, C. S., & Leggett, E. L. (1988). A social-cognitive approach to motivation and personality. *Psychological Review*, 95, 256-273.

VandeWalle, D. (2001). Goal orientation: Why wanting to look successful doesn't always lead to success. *Organizational Dynamics*, 30, 162-171.

Brett, J. F., & VandeWalle, D. (1999). Goal orientation and goal content as predictors of performance in a training program. *Journal of Applied Psychology*, 84, 863-873.

Lee, T. W., Locke, E. A., & Phan, S. H. (1997). Explaining the assigned goal-incentive interaction: The role of self-efficacy and personal goals. *Journal-of-Management*, 23, 541-559

November 2: Job Design and Empowerment

Hackman, J. R., & Oldham, G. R. (1975). Development of the Job Diagnostic Survey. *Journal of Applied Psychology*, 60, 159-170.

Parker, S. K., Wall, T. D., & Jackson, P. R. (1997). "That's not my job": Developing flexible employee work orientations. *Academy of Management Journal*, 40, 899-929.

Spreitzer, G. M., Kizilos, M. A., & Nason, S. W. (1997). A dimensional analysis of the relationship between psychological empowerment and effectiveness, satisfaction, and strain. *Journal of Management*, 23, 679-704.

Shirom, A., Westman, M., & Melamed, S. (1999). The effects of pay systems on blue-collar employees' emotional distress: The mediating effects of objective and subjective work monotony. *Human Relations*, 52, 1077-1097.

Miller, K. I., & Monge, P. R. (1986). Participation, satisfaction, and productivity: A meta-analytic review. *Academy of Management Journal*, 29, 727-753.

November 9: Pay systems and Organizational Performance

Becker, B.E., Huselid, M.A., Pickus, P.S., & Spratt, M.F. (1997). HR as a source of shareholder value: Research and recommendations. *Human Resource Management*, 36, 39-47.

Brown, M.P., & Sturman, M.C., & Simmering, M.J. (2003). Compensation policy and organizational performance: The efficiency, operational, and financial implications of pay levels and pay structure. *Academy of Management Journal*, 46, 752-762.

Brandes, P., Dharwadkar, R., Lemesis, G.V. (2003). Effective employee stock option design: Reconciling stakeholder, strategic, and motivational factors. *Academy of Management Executive*, 17, 77-95.

Cooper, C.L., Dyck, B., & Frohlich, N. (1992). Improving the effectiveness of gainsharing: The role of fairness and participation. *Administrative Science Quarterly*, 37, 471-490.

Murray, B., & Gerhart, B. (1998). An empirical analysis of a skill-based pay program and plant performance outcomes. *Academy of Management Journal*, 41, 68-78.

November 16: Group & Team Motivation and Rewards I

DeMatteo, J.S., Eby, L.T. & Sundstrom, E. (1998). Team-Based Rewards: Current Empirical Evidence and Directions for Future research. In B. M. Staw & L. L. Cummings (Eds.), *Research in Organizational Behavior* (Vol. 20, p. 141-183), CT: JAI Press

Latane, B., Williams, K., & Harkins, S. (1979). Many hands make light the work: The causes and consequences of social loafing. *Journal of Personality and Social Psychology*, 37, 822-832.

Shepperd, J.A. 1993. Productivity loss in performance groups: a motivation analysis, *Psychological Bulletin*, 113, 67-81

Sutton, R.I. & Hargadon, A. (1996) Brainstorming groups in context: Effectiveness in a product design firm. *Administrative Science Quarterly*, 41, 685-718

November 23: Group & Team Motivation and Rewards II

Pearson, C.A.L. (1992). Autonomous work-groups: An evaluation at an industrial site. *Human Relations*, 45, 905-936.

Kirkman, B.L., & Rosen, B. (1999). Beyond self-management: Antecedents and consequences of team empowerment. *Academy of Management Journal*, 42, 58-74

Matsui, T., Kakuyama, T., & Onglatco, M.L.U. (1987). Effects of goals and feedback on performance in groups. *Journal of Applied Psychology*, 72, 407-415

O Leary-Kelly, A.M., Martocchio, J.J.; & Frink, D.D. (1994). A review of the influence of group goals on group performance. *Academy of Management Journal*, 37, 1285-1301

Gully, S.M., Joshi, A., Incalcaterra, K.A., & Beaubien, J.M. (2002). A meta-analysis of Team-efficacy, potency, and performance: Interdependence and Level of analysis as moderators of observed relationships, *Journal of Applied Psychology*, 87, 819-832

November 30: Cross-Cultural Motivation and Compensation

Deci, E. L., Ryan, R. M., Gagné, M., Leone, D., Usunov, J., & Kornazheva, B. P. (2001). Need satisfaction, motivation, and well-being in the work organizations of a former eastern bloc country. *Personality and Social Psychology Bulletin*, 27, 930-942.

Welsh, D.H.B, Luthans, F, & Sommer, S.M (1993). Managing Russian factory workers: The impact of U.S.-based behavioral and participated techniques. *Academy of Management Journal*, 36, 58-78

Dubinsky, A.J., Kotabe, M., Lim, C., & Michaels, R.E. (1994). Differences in motivational perceptions among U.S., Japanese, and Korean sales personnel. *Journal of Business Research*, 30, 175-185

Lowe, K.B., Milliman, J., De Cieri, H., & Dowling, P.J. (2002). International compensation practices: A ten-country comparative analysis. *Human Resource Management*, 41, 45-66

Extra reading:

Bem, D. J. (2002). Writing the empirical journal article. In J. M. Darley, M. P. Zanna, & H. L. Roediger III (Eds.), *The compleat academic: A career guide*. Washington, DC: American Psychological Association.