Theory X and Theory Y

Definition:

The **Theory X and Theory Y** are the theories of motivation given by Douglas McGregor in 1960's. These theories are based on the premise that management has to assemble all the factors of production, including human beings, to get the work done. McGregor believed that management can use either of the needs to motivate his employees, as grouped under theory X and theory Y.

Theory X:

Theory X relies on the authoritarian style of management, where the managers are required to give instructions and keep a close check on each employee. As it is assumed, the employees are not motivated, and they dislike working. This theory is based on the following assumptions:

1. The employee is lazy and dislikes work.
2. He is not ambitious and dislikes responsibility and therefore prefers to be led.
3. The employee is self-centered and indifferent towards the organizational interest.
4. Management is responsible for assembling all the factors of production, Viz. Money, material, equipment, people.
5. The managers are required to control his employees, manage their efforts, motivate them, modify their behavior to comply with the organizational needs.
6. The management must intervene to keep the employees working towards the economic ends. The employees must be persuaded, rewarded, motivated, punished, controlled to get the work completed.

Theory Y:

Theory Y relies on the participative style of management, where the managers assume that the employees are self-directed and self- motivated to accomplish the organizational objectives. Thus, here the management attempts to get the maximum output with least efforts on their part. Following are the assumptions of Theory Y:

1. The average human being does not inherently dislike work, they are creative and self-motivated and likes to work with greater responsibilities.
2. Employees are self-directed and self-controlled and therefore the threat of punishment is not only the means for getting the desired results.
3. The extent to which an employee is committed to objectives is determined by the rewards associated with their achievement. The most significant rewards in this context could be the satisfaction of the ego and the fulfillment of self-actualization needs.

4. The average human being is ambitious and is ready to take responsibilities. He likes to lead rather than to be led by others.
5. The employees exercise a relatively high degree of imagination and creativity in solving the complex organizational problems.

Thus, theory X and theory Y are two contrasting models that depict the set of assumptions a manager holds on his employees, which may or may not coincide with their general way of behaving. Therefore, these theories are based on the attitude, not attributes.

Herzberg's Two-Factor Theory of Motivation

In 1959, Frederick Herzberg, a behavioral scientist proposed a two-factor theory or the motivator-hygiene theory. According to Herzberg, there are some job factors that result in satisfaction while there are other job factors that prevent dissatisfaction. According to Herzberg, the opposite of "Satisfaction" is "No satisfaction" and the opposite of "Dissatisfaction" is "No Dissatisfaction".
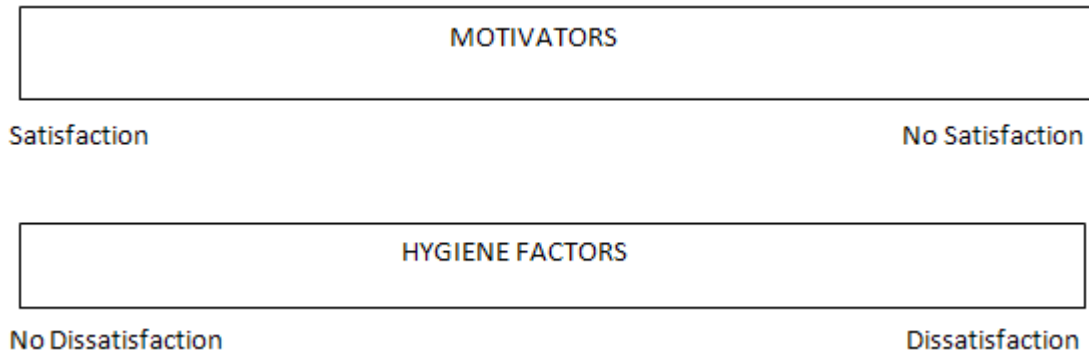
MOTIVATORS	
Satisfaction	No Satisfaction

HYGIENE FACTORS	
No Dissatisfaction	Dissatisfaction

FIGURE: Herzberg's view of satisfaction and dissatisfaction

Herzberg classified these job factors into two categories-

a. **Hygiene factors-** Hygiene factors are those job factors which are essential for existence of motivation at workplace. These do not lead to positive satisfaction for long-term. But if these factors are absent / if these factors are non-existent at workplace, then they lead to dissatisfaction. In other words, hygiene factors are those factors which when adequate/reasonable in a job, pacify the employees and do not make them dissatisfied. These factors are extrinsic to work. Hygiene factors are also called as **dissatisfactory or maintenance factors** as they are required to avoid dissatisfaction. These factors describe the job environment/scenario. The hygiene factors symbolized the physiological needs which the individuals wanted and expected to be fulfilled. Hygiene factors include:

- Pay - The pay or salary structure should be appropriate and reasonable. It must be equal and competitive to those in the same industry in the same domain.
- Company Policies and administrative policies - The company policies should not be too rigid. They should be fair and clear. It should include flexible working hours, dress code, breaks, vacation, etc.
- Fringe benefits - The employees should be offered health care plans (mediclaim), benefits for the family members, employee help programmes, etc.
- Physical Working conditions - The working conditions should be safe, clean and hygienic. The work equipments should be updated and well-maintained.
- Status - The employees' status within the organization should be familiar and retained.
- Interpersonal relations - The relationship of the employees with his peers, superiors and subordinates should be appropriate and acceptable. There should be no conflict or humiliation element present.
- Job Security - The organization must provide job security to the employees.

b. **Motivational factors-** According to Herzberg, the hygiene factors cannot be regarded as motivators. The motivational factors yield positive satisfaction. These factors are inherent to work. These factors motivate the employees for a superior performance. These factors are called satisfiers. These are factors involved in performing the job. Employees find these factors intrinsically rewarding. The motivators symbolized the psychological needs that were perceived as an additional benefit. Motivational factors include:
   - Recognition - The employees should be praised and recognized for their accomplishments by the managers.
   - Sense of achievement - The employees must have a sense of achievement. This depends on the job. There must be a fruit of some sort in the job.
   - Growth and promotional opportunities - There must be growth and advancement opportunities in an organization to motivate the employees to perform well.
   - Responsibility - The employees must hold themselves responsible for the work. The managers should give them ownership of the work. They should minimize control but retain accountability.
   - Meaningfulness of the work - The work itself should be meaningful, interesting and challenging for the employee to perform and to get motivated.

Limitations of Two-Factor Theory
The two factor theory is not free from limitations:

1. The two-factor theory overlooks situational variables.
2. Herzberg assumed a correlation between satisfaction and productivity. But the research conducted by Herzberg stressed upon satisfaction and ignored productivity.
3. The theory's reliability is uncertain. Analysis has to be made by the raters. The raters may spoil the findings by analyzing same response in different manner.
4. No comprehensive measure of satisfaction was used. An employee may find his job acceptable despite the fact that he may hate/object part of his job.
5. The two factor theory is not free from bias as it is based on the natural reaction of employees when they are enquired the sources of satisfaction and dissatisfaction at work.

They will blame dissatisfaction on the external factors such as salary structure, company policies and peer relationship. Also, the employees will give credit to themselves for the satisfaction factor at work.

6. The theory ignores blue-collar workers. Despite these limitations, Herzberg's Two-Factor theory is acceptable broadly.

Implications of Two-Factor Theory

The Two-Factor theory implies that the managers must stress upon guaranteeing the adequacy of the hygiene factors to avoid employee dissatisfaction. Also, the managers must make sure that the work is stimulating and rewarding so that the employees are motivated to work and perform harder and better. This theory emphasize upon job-enrichment so as to motivate the employees. The job must utilize the employee's skills and competencies to the maximum. Focusing on the motivational factors can improve work-quality.

Alderfer's ERG Theory

Definition:

Alderfer's ERG Theory is the extension of Maslow's Needs Hierarchy, wherein the Maslow's five needs are categorized into three categories, Viz. Existence Needs, Relatedness Needs, and Growth Needs. An American psychologist Clayton Paul Alderfer had proposed this theory and believed that each need carries some value and hence can be classified as lower-order needs and higher-order needs. He also found some level of overlapping in the physiological, security and social needs along with an invisible line of demarcation between the social, esteem and self-actualization needs. This led to the formation Alderfer's ERG theory, which comprises of the condensed form of Maslow's needs

Existence Needs: The existence needs comprises of all those needs that relate to the physiological and safety aspects of human beings and are a prerequisite for the survival. Thus, both the physiological and safety needs of Maslow are grouped into one category because of their same nature and a similar impact on the behavior of an individual.

Relatedness Needs: The relatedness needs refer to the social needs that an individual seeks to establish relationships with those for whom he cares. These needs cover the Maslow's social needs and a part of esteem needs, derived from the relationship with other people.

Growth Needs: The growth needs cover Maslow's self-actualization needs as well as a part of esteem needs which are internal to the individual, such as a feeling of being unique, personnel growth, etc. Thus, growth needs are those needs that influence an individual to explore his maximum potential in the existing environment.

McClelland's Needs Theory

Definition:

McClelland's Needs Theory was proposed by a psychologist David McClelland, who believed that the specific needs of the individual are acquired over a period of time and gets molded with one's experience of the life. McClelland's Needs Theory is sometimes referred to as **Three Need theory** or **Learned Needs Theory.**

McClelland has identified three basic motivating needs, Viz. Need for Power, Need for Affiliation and Need for Achievement and, along with his associates performed a considerable research work on these basic needs.

Need for Power: What is Power? Power is the ability to induce or influence the behavior of others. The people with high power needs seek high-level positions in the organization, so as to exercise influence and control over others. Generally, they are outspoken, forceful, demanding, practical/realistic-not sentimental, and like to get involved in the conversations.

Need for Affiliation: People with high need for affiliation derives pleasure from being loved by all and tend to avoid the pain of being rejected. Since, the human beings are social animals, they like to interact and be with others where they feel, people accept them. Thus, people with these needs like to maintain the pleasant social relationships, enjoy the sense of intimacy and like to help and console others at the time of trouble.

Need for Achievement: McClelland found that some people have an intense desire to achieve. He has identified the following characteristics of high achievers:

- High achievers take the moderate risks, i.e. a calculated risk while performing the activities in the management context. This is opposite to the belief that high achievers take high risk.

- High achievers seek to obtain the immediate feedback for the work done by them, so as to know their progress towards the goal.

- Once the goal is set, the high achiever puts himself completely into the job, until it gets completed successfully. He will not be satisfied until he has given his 100% in the task assigned to him.

- A person with a high need for achievement accomplishes the task that is intrinsically satisfying and is not necessarily accompanied by the material rewards. Though he wants to earn money, but satisfaction in the accomplishment of work itself gives him more pleasure than merely the cash reward.

Hence, McClelland's Needs Theory posits that the person's level of effectiveness and motivation is greatly influenced by these three basic needs.

Cognitive Learning Theory

Definition:

Edward Tolman has contributed significantly to the **Cognitive Learning Theory**. According to him, individuals not only responds to stimuli but also act on beliefs, thoughts, attitudes, feelings and strive towards goals.

In other words, an individual creates a cognitive map in his mind, i.e. an image of the external environment, preserves and organizes information gathered, as a result of the consequences of events encountered during the learning process. Thus, the organism learns about the event and objects on the basis of a meaning assigned to stimuli.

Tolman was the first behaviorist who challenged the conditional theory on the belief that stimulus-response theory is unacceptable, as reinforcement was not necessary for the learning to happen and asserted that behavior was mainly cognitive. He believed that the environment offers several experiences or cues which are used to develop the mental image i.e. cognitive map.

Thus, cognitive learning theory is based on the cognitive model of human behavior, i.e. it emphasizes on the free will and positive aspects of human behavior. Cognition refers to the individual's thoughts, feelings, ideas, knowledge and understanding about himself and the environment. Thus, an organism applies this cognition in learning which results in not merely the

response to a stimulus, but the application of internal image of the external environment, so as to accomplish the goal.

Tolman has conducted an experiment to elucidate the cognitive learning theory. He trained a rat to turn right in the 'T' maze in order to obtain food. One day, he started a rat from the opposite part of the maze, according to the operant conditioning theory, the rat should have turned right due to the past conditioning, but instead, it turned towards where the food was kept.

Thus, Tolman concluded that rat formed a cognitive map in its mind to figure out where the food has been placed, and reinforcement was not a precondition for learning to take place