

ORGANIZATIONAL EFFICIENCY
AND MOTIVATION

By

JOHN DENZIL CARREKER, JR.

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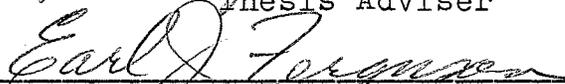
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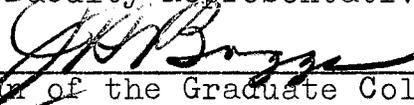
Thesis Approved:



Thesis Adviser



Faculty Representative



Dean of the Graduate College

PREFACE

The ability to properly arrange and control the direction of behavior of its members is a prerequisite of any viable organization. This necessitates the taking of individuals with diverse goals, habits, and skills and establishing the patterns of behavior that are consistent with the rational scheme of the organization. In this regard, the multiplicity of problems facing management seemingly have no end. Although every businessman recognizes an apparent, though not automatic, cause-and-effect relationship between the human side and the dollars and cents side of his enterprise, improving technical efficiency remains as the primary approach to solving these problems. At present, however, there are vast possibilities of improving productivity while applying the insights of much available research on group dynamics and motivation. It is the purpose of this thesis to utilize the present theories of organization and management and, in addition, the recent research on group dynamics and motivation in discussing and presenting a modified theory of organization and management.

Several acknowledgments are in order. First, I wish to express my indebtedness to the Ideal Cement Company,

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CHAPTER I

A HISTORICAL DEVELOPMENT

A country is said to have entered an advanced stage of industrialization when less than 50 per cent of its working population is engaged in agriculture, forestry, and fishing. Although American was an industrial latecomer compared to England 1841, France 1866, and Germany 1870, by this standard as of 1880, the United States had entered the advanced stage of industrialization. From that time to 1910, the United States was the setting of the most rapid economic expansion ever known over a comparable period of time (1, p. 254). This speed of economic expansion was reflected, and to some extent influenced, by the managerial ideologies and working conditions of that time. Life itself was a "struggle for existence" and the well-being of the "fittest" was accompanied by the anguish of the weak.

At this stage of industrialization, the leaders of industry were regarded as men who had proved themselves in the struggle for survival and were praised and respected as such. The economic and social rewards of industrial development and prosperity served to entice men of stamina and intellectual facilities. In this fierce environment, a

particular type of man developed that was characterized by vitality, energy, concentration, skill in combining numerous forces for an end, and great foresight into the consequences of social events (2, pp. 385-386).

One of the earliest governmental philosophies of the executive, legislative, and judicial institutions in the United States was to provide men (all men) the opportunity to develop through hard work all their powers to enhance their own welfare. There were no dispensations and each man earned and was forced to accept the full consequences of his own ability. Those incapable of being leaders had to accept the role of the led and respect the rights and privileges of those with the willingness and courage to accept responsibility.

Throughout the course of this period of industrialization, management conceived the worker as being idle, desolate and lacking in virtue (3, p. 33). This attitude became less popular only when a few employers became concerned with proper labor management in the 1920's and the 1930's. Prior to those dates, management had assumed that the masses of men making up the labor force were motivated by economic self-interest. Frederick Taylor (4, p. 49) professed that:

.... workers did not really know enough to maximize their prosperity; they might be expert in their trade, but they were unable to understand the "science" of it. Hence, they had to be taught and guided by management to achieve their maximum efficiency.

Although management also maintained the extension of these same concepts with regard to failure and poverty, they undertook to forestall idleness through new methods of human engineering. In the early 1920's, behaviorism resulted in concepts which were well suited for managerial use of the time. One such concept was reported in the Journal of Applied Psychology when E. H. Fish (5, p. 174), under the title of "Human Engineering", wrote:

"It seems to be very largely a question of knowing or judging what given individuals or groups of individuals will do under a given set of conditions, and knowing from experience, which seems to be our only guide as yet, what people have done under such circumstances and what follows from them may go along the line which will bring the greatest profit to the company employing the men."

This statement was very appropriate to the employers of the time since it coincided with their traditional practices of controlling work performance by the alternate use of incentives and penalties.

From the 1930's onward, a number of external influences, including a change in philosophy in the Federal Government and the development of labor unions, altered the managerial attitude and treatment of the labor force. This may be evidenced by the growing emphasis on improved working conditions, and the more attractive fringe benefit programs which have been developed. The improved status of labor can partially be attributed to the power of the unions in the United States, which expanded in the 1930's, and the

forces that such third party organizations have exerted upon management. And yet, another explanation of the increased affluence found within the working class would necessarily assert that management is attempting motivation through material rewards, and this may now be reaching a point of diminishing return. Property is no longer the primary social divider in society. Many forces are blurring the line between owner, manager, and worker. The corporation has stimulated absentee ownership and has increased public investment. High employee income has raised more and more workers into the middle income brackets while high progressive income taxes have depressed managerial incomes (6, p. 814).

Faced with the perplexing problem of how to increase organizational effectiveness, management is becoming more sensitive to new approaches or strategies of motivation. At present, however, only the traditional concepts with subtle alterations are evidence of this trend.

If all the individuals presently filling "managerial positions" were asked: "Do you find that humanitarian ideals often conflict with organizational effectiveness?", most managers would answer affirmatively. If they were next asked: "If the two interests do conflict, which should have preference?", most managers would side in favor of the organization; after all, if the organization does well then there will be more "incentives" to offer the

individual (7). The important point here is that even though management is becoming more cognizant of the idea that the individual is not merely a source of physical forces, but is a human being, "... managerial strategies still give highest priority to profit, share of the market, and organizational effectiveness in general." (7).

"Behind the historically seated theories of management lie a basic lack of knowledge with regard to human behavior." (8). This is particularly obvious in literature covering the early periods of advanced industrialization in the United States; and is still evidenced by managerial practices today, although to a lesser degree. This basic lack of understanding on the part of management has manifested itself in the misconception of human nature and human behavior in the industrial environment. McGregor's (3) The Human Side of Enterprise discusses some of the more historical assumptions (McGregor feels that many of these assumptions are still held as true by management today.) upon which managerial decisions have been based. Three of the more pervasive assumptions in what he refers to as Theory X are:

1. The average human being has an inherent dislike of work and will avoid it if he can.
2. Because of this human characteristic of dislike of work, most people must be coerced, controlled, directed, threatened with punishment, to get them to put forth adequate effort toward the achievement of organizational objectives.
3. The average human being prefers to be

directed, wishes to avoid responsibility, has relatively little ambition, wants security above all.

With reference to these, as past and possibly present, assumptions of management, it becomes obvious why management and the control of human behavior has always been considered an "art".

It is obvious to those most actively concerned with the human element of organizations that there is some cause and effect relationship between the human or social element of organizations and the dollars and cents, commonly used as a measuring stick for organizational effectiveness (7).

The goal of the ensuing investigation is to develop, discuss, and combine various aspects of human behavior which numerous experiments have inferred into one view of a hopefully effective strategy for management.

CHAPTER II

MANAGEMENT - AN ART OR A SCIENCE?

When an individual is successful in motivating other people sufficiently to accomplish a group objective, he is said to have mastered the "art" of management. This view results from the general consensus that while physical phenomenon are precise and predictable, human behavior is vague and unpredictable. This opinion can be substantiated if one attempts the reproduction of experiments in each of the two disciplines under consideration. In the physical sciences, physics for example, one can repeatedly verify that a rock thrown into the air will return to earth in some predictable manner. The fact that such concepts of the physical world can be reproduced enables such studies to be "scientific" in nature. When dealing with human behavior, however, such simple and reproducible experiments are very difficult to find. This is true for a number of reasons, but primarily because a response of even the simplest whole element in such an experiment, one individual, is itself dependent upon so many variables. The mere fact that an experimenter must consider this multiplicity of variables, most of which are not presently understood in

detail, prohibits a more scientific study of human behavior. Such a study is even more confounded when groups of individuals are involved.

In his book entitled, The Study of Society: A Unified Approach, Alfred Kuhn (8, pp. 10, 11) has attributed the greater accuracy and predictability of the physical sciences to five factors:

First, many of their concepts are more precisely definable than those in the social sciences, the liver, atom, mass, or erg being much more sharply defined than society, personality, ego, social pressure, or government.

Second, even if more precise definitions can be formulated for social concepts, few can be measured precisely, or expressed in numerical units.

Third, many experiments in the physical sciences can be repeated as often as desired, under the same condition or under controlled changes in conditions. It is also possible to perform repeatable experiments with limited groups of persons under controlled conditions, as is done in the study of "small groups". But much of our knowledge of social phenomena comes from observing the actual behavior of whole economies, societies, nations, or cultures, and the interaction of their parts. Experiments of this sort are not reproducible at will, nor can they be controlled by the experimenter for his scientific purposes.

Fourth, in many respects the physical scientist can isolate the variables he studies by laboratory techniques ... by contrast, the social scientist must examine the relation between two variables in individuals or societies as they actually are, and he cannot make all other variables stand still while he makes his study.

Fifth, once a social scientist studies a society or any part of it, and makes his report available to the people studied, the report itself may change the society. Merely to be asked questions about one's behavior - merely to know

that one is being observed - may change the behavior. Although some tiny physical particles cannot be observed without being changed, for the most part the physicist can go about his work confident that the things he studied will not change because he studied them.

It does remain possible, however, that these factors giving greater precision to the physical sciences are themselves traceable back to the smaller number of variables.

In the studies of human behavior, there are, at the present time, many bits of understanding taken one at a time which are as precise as the laws of the physical sciences. Through a combining action of these bits of understanding, many of the forces which guide human behavior are now understood. The thing that still makes the human sciences so "unscientific" is that a large number of these forces are forever combining in a seemingly unpredictable manner simultaneously.

There are hopes that someday the seemingly unassociated fields of science will find that the interrelationships between energy, matter, and life can be summarized by a few simple principles. Until such a time, if at all, management and the people directly involved in the study of human behavior must continue to experiment, observe, and understand. If the proving ground for the physical scientist and the human behaviorist, the industrial environment, is ever to become systematic and predictable, both of the disciplines must be equally understood by management. When this finally does happen, management can be properly classified as a "science".

CHAPTER III

A STIMULUS-RESPONSE MODEL

There appears to be an ever increasing emphasis placed on the development and understanding of the inter-related system required to place a product or service on the market. The most basic element of any such system is the individuals about which the remainder of the system is developed. When a set of facts, rules, principles, etc., are classified or arranged in a regular orderly form so as to show a logical plan linking the various parts, the efforts of human beings as one or more parts of the total system are basic or essential to that system. While the physical aspects of the system making up a manufacturing process may appear to be extremely complex to those directly involved with such things, the human element, which a manager is responsible for controlling, is much more complicated and intricate than even the most involved of the physical components.

The Problem

When attempting to secure human efforts from various members of an organization, the manager must sufficiently

motivate each individual involved to secure contributions as desired. Victor Dorkovich (9, p. 39) has described the human brain as being:

... an electronic recording machine, with built-in sub-assemblies having both permanent and circulating memories, the functioning of which is modulated by a biochemical multi-directional or broadcasting process (i.e., the emotions) via a thalamocortical clearing center. The organism contains approximately nine billion nerve units, each requiring 0.07 volts for firing, the total requiring some two watts of power for operation.

Unlike mere machines that receive and store information to later respond in a definite manner, human beings engage in adaptive behavior which is in some measure based not only upon the current information received about the world in which they live, but upon their wishes as well. Human beings select, from a group of possible opportunities, the one which they feel will result in their greatest satisfaction or least dissatisfaction. This selection process is dependent upon an interaction of information perceived and individual motives. Hence, a proper understanding of human behavior requires attention to both.

The actual nervous system of a human being is incredibly complex, as one might infer, but it consists basically of three main sections. The first section handles the inputs of information. The second section performs the switching process and connects the first section with the third section which is the output or response section. Each of these sections consists of nerves, or neurons,

which are long, thin, biological cells. The input or sensory nerves originate with the sense receptors and discharge into the cortex or central section. The output or motor nerves terminate with and control the muscles. Central nerves, which make up the brain, lie between the sensory and motor nerves performing a purely connecting function. (See Figure 1.)

As previously mentioned, there are many things about the human nervous system that are not fully or at all understood; however, a few physical characteristics of the human brain are held as being true with reasonable confidence. First, all nerves operate basically by electrical current; and, it is possible to detect the firing of a nerve with a galvanometer. Second, when a nerve does fire, it is in an all or nothing manner. Third, learning takes place at the synapsia, apparently by some process which reduces resistance to the nerve currents. Fourth, no particular idea, concept or perception is located in any specific part of the cortex (8, p. 65).

The Input System

From the preceding discussion, it is obvious that human senses are basic since the quality of information they provide about the natural environment in which a human exists has much to do with the way in which humans behave.

A large portion of the information held by an

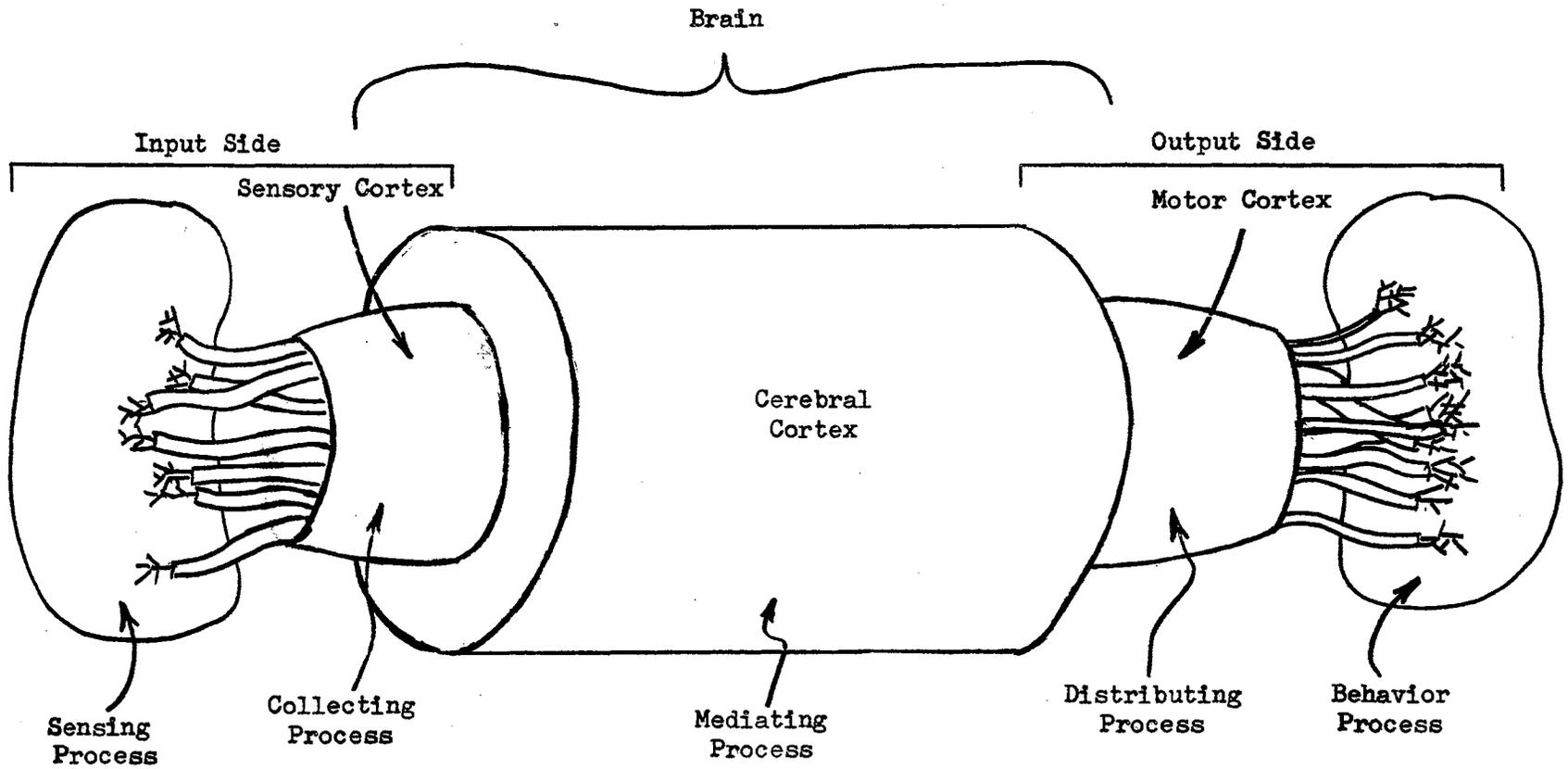


Figure 1. The Central Nervous System

individual comes to him in the form of communication. *no*

Communication consists of five distinct elements: (1) a source, (2) a coder, (3) a medium of transmission, (4) a receiver, and (5) a decoder. To exemplify this breakdown, consider a simple verbal communication from A to B. The source of the communication is A; A's vocal apparatus is the coder; the air is the medium of transmission; the ears of B are the receivers; and, B's extraction of meaning from the vibrations in his ears is the decoder. More precisely, the receivers in this communication from A to B are the sense organs and attached sensory nerves of B while the decoding of the message is performed by B's brain. These last two elements of the communication system, the receiving and decoding elements, are often incorrectly lumped together. When sound waves emitted from falling rocks strike a listener's ears, his hearing apparatus detects or receives these vibrations as so many noises; but, his brain decodes the vibrations by perceiving or interpreting them to be those associated with or caused by falling rocks. A listener's accurate interpretation of the buzzing in his ears would not have been possible had he never received such noises before and observed the cause of the noises in his ears - or received accurate information in another manner previously regarding noises associated with falling rocks. It is important to note that the fifth element of the communication system, the information or input system,

consists actually of two interacting sub-systems—concepts and perceptions. The concepts are the stored information accumulated over a period of time. Perceptions are the information about particular things currently happening and derived by combining sensations currently received with the information stored in the concepts previously formed. It is through the sensory nerves and synaptic connections that information moves into the cerebral cortex, that part of the central nervous system standing between the sensory and motor nerves.

The accuracy of the information held by an individual is dependent upon the fidelity with which each of the five elements of communication operate.

High fidelity communication will exist only if (1) the signals are an accurately coded representation of the source, (2) the medium transmits the signals with little distortion, (3) our sense organs are good detectors, and (4) our brain accurately decodes the nerve currents received from the sense organs (8, p. 17).

The fidelity of communication is widely recognized as a prime cause of many managerial problems in industry. As a result, increased emphasis is being placed on semantics and much attention is given to the establishment of accurate and universal terminology within organizations. In the military, for example, the Department of the Army publishes a booklet which consists exclusively of terminology and abbreviations and their intended meaning.

Within the relatively new field of human engineering,

emphasis is placed upon providing accurate information through methods of communication other than verbal communications.

There is much more to designing a good visual display than merely making it visible: the operator must also understand the presented information and, with minimum effort and delay, convert it into correct decisions and/or control actions (10, p. 51).

The Selective Process

A stimulus may be defined as:

... any change of energy which impinges on the nervous system such that it brings about activity of that system. The source of the energy may be either external (outside the central nervous system) or internal (from within the brain) to the organism (11, p. 14).

It is interesting to note that a stimulus may arise from within the brain itself, internally, and that a subsequent response to such a stimulus may consist of nothing more than the cerebral discharge of an idle thought. This characteristic of the human brain places severe limitations on the analytical abilities of psychologists; however, it is this ability of the central nervous system that provides humans with their tremendous mental capacity.

When a stimulus enters the central cortex, either a switching process takes place or there is an automatic response to the stimulus. An automatic response may result from an electrical shock, a tap on the knee, etc., and involves no switching or selective process. Most frequently stimuli do pass through the switching process and these are

said to result in mediated behavior. It is mediated behavior, and not automatic responses, which is of concern in this report since it is mediated behavior that is based on the motives or motivation of the human being.

There are two somewhat different questions which are typically dealt with in discussions of human motivation. First, why is the human organism active at all? Second, what conditions instigate action, determine the duration of action and finally cause the cessation of action? The first question is one concerning the stimulation of action while the second question involves the direction of behavior. This second question - concerning direction or choice - is probably the more important of the two questions to the manager and the psychologists. In fact, there are some psychologists (W. K. Estes, 1958; F. A. Logan, 1959) who have questioned whether differences in level of activity and response amplitude cannot be explained in the same terms as the duration of activity (12).

In attempting to develop a model for the switching or selection process, it is interesting and necessary to consider historical developments in this area. Most contemporary conceptions of motivation have their origins in the principle of hedonism. This principle, which can be traced back to ancient Greek philosophers, has as its central assumption the theory that human behavior is directed toward pleasure and away from pain. In other words, from

all the opportunities or possible alternatives available to people, they select those courses of action which they feel will maximize their pleasure and/or minimize their pain. Despite the simplicity and widespread appeal of this doctrine, there is within the principle no clear-cut specification of the types of events which are painful or pleasurable. Although it is possible with this theory to explain any form of behavior after the fact by postulating particular sources of pain or pleasure to the person involved, the philosophical doctrine of hedonism does not provide a means of predicting human behavior in advance.

There are two groups of psychologists who have helped to transform the hedonistic doctrine from the realm of philosophical discourse to that of testable psychological theory. The first group has approached the problem with a strong behavioristic emphasis and focused on the problems of learning. Much of the work performed by this group is based upon the "law of effect" which was originally proposed by Thorndike and its modern counterpart, Hull's principle of reinforcement. Thorndike (13, p. 244) originally stated the "law of effect" as follows:

Of several responses made to the same situation, those which are accompanied or closely followed by satisfaction to the animal will, other things being equal, be more firmly connected with the situation, so that, when it recurs, they will be more likely to recur; those which are accompanied or closely followed by discomfort to the animal will, other things being equal, have their connections with that situation weakened, so that when it recurs, they will be less likely to occur.

The greater the satisfaction or discomfort, the greater is the strengthening or weakening of the bond.

The experiments on which Thorndike's statement was based provided tangible evidence that human behavior is directed toward certain opportunities and away from other opportunities. Those opportunities increasing the probability of responses which leads to them are often referred to as satisfiers or rewards while outcomes that decrease the probability of responses which leads to them are often referred to as dissatisfiers or punishments.

Gordon Allport (1954) has noted that theories based on the law of effect or on the principle of reinforcement assume that the explanation of the present choices of an organism is to be found in an examination of the consequences of his past choices (12). Responses which have been rewarded in the past will be repeated in the present; whereas, those which have not been rewarded or have been punished in the past will not be repeated by the organism. Although the law of effect, as described, helped to answer one of the classical problems of hedonism; namely, how behavior came to be directed toward pleasure and away from pain, it did not provide an answer to the question of which outcomes are pleasurable and which are painful.

A number of attempts to define more completely the classes of outcomes which act as rewards and as punishments have been made. The more modern concept of drive reduction

initially proposed by Hull (1951) represented an early attempt in this direction. A drive was defined as a strong stimulus which impelled action on the part of the organism (12). Increased stimulation brought about by shock or loud noise, pain, constituted increases in drive and were predicted to decrease the probability of responses preceding them. Conversely, decreases in stimulation constituted drive reduction and were predicted to increase the probability of responses preceding them.

Although the concept of drive reduction as the basis of reinforcement has achieved greater currency than any other theory in this direction, it too has been criticized. There is considerable evidence that organisms, under many conditions, do not seek to avoid stimulation but to attain it. The optimal state does not appear to be the absence of stimulation, as the drive reduction theory would imply, but that satisfying and dissatisfying properties of any stimulus are dependent on the size of the discrepancy between the stimulus and a hypothetical neural organization or adaptation level, which has been acquired as a result of past stimulation. The greater the stimulus is away from the adaptation level, either higher or lower, the greater the resulting dissatisfaction. The closer the stimulus to the adaptation level, the greater the resulting satisfaction (12, pp. 8-13).

Although the principles of reinforcement obviously

leave much to be desired as an explanation of human behavior, the empirical validity of the proposition, that the probability of occurrence of a wide range of behaviors can be altered by the outcomes of those behaviors, has been supported by a wealth of research. Without a doubt, the laws of effect and drive reduction principle must be recognized as among the most substantial findings of experimental psychology.

A second group of psychologists has accepted the empirical evidence underlying the law of effect, but holds that learning consists not of changes in the strength of habits but of changes in beliefs. Operating under this concept, the choices made by a person in a given state of stimulation would be explained in terms of his own motives and cognitions at the time when the selection is made.

To better analyze this concept and its implications, it is essential that the reader be familiar to some degree with the theories of human learning. These theories or laws of learning are statements of factors which influence the strength of learning or speed with which responses are either reinforced or become extinct. The strength of learning has its effect in at least four ways: (a) the amount of response, (b) a reduction of the time required to perform the response, (c) a reduction in the number of errors made by the organism, (d) a reduction in the time interval between receiving the stimulus and the beginning

of the response. A highly conditioned response, then, would be evidenced by its being large, fast, error-free, and immediate.

The first principle or law of learning is called the principle of intensity and states that conditioning can take place only in the presence of some pre-existing tendency (reflexive or motivated) to respond, and the strength and speed of learning depends mainly upon the strength of that pre-existing tendency. The inability to measure the strength of pre-existing tendencies has made the principle of intensity more questionable than the two principles which follow.

The second principle of learning is referred to as the principle of recency. If several different responses occur in sequence prior to the occurrence of the pre-existing response, the response occurring most recently before the pre-existing response will be the most promptly and most strongly conditioned. For example, if a dog is first exposed to the sound of a bell, then after a time interval a light, then after another time interval receives food, the dog will learn to salivate in response to both the bell and the light after the procedure is repeated a number of times. However, he will learn to salivate upon exposure to light sooner and more strongly.

The final principle of learning is the principle of frequency. Other things being equal, as the number of

trials and responses increase, the conditioned response strengthens at a declining rate. How well an organism learns something is also dependent upon the spacing of the trials. This principle of learning is probably the most widely recognized of the three principles and has been applied extensively in the air-frame industry. Here, mathematical models, often referred to as manufacturing progress functions, are being used in the estimating of direct and sometimes indirect labor man-hours required for the production of "X" numbers of air-frames (8, pp. 70-75).

In light of the aforementioned laws of learning, it can be said that conditioning is a process by which things related in experience come to be related in the brain. These relationships in the brain can be purely informational or motivated in that satisfying responses are reinforced and non-satisfying responses are extinguished.

Moving back to the second group of psychologists discussed previously, Tolman (1932) and Lewin (1938) were among the earliest advocates of cognitive theories of behavior (12). They both assumed an organism to have beliefs, opinion, or expectations of the world around him. To Tolman, learning did not consist of changes in the strength of habits, but of changes in beliefs held to be true by the organism. While attributing the results of reinforcement to learning, he contended that reinforcement was not a necessary condition for learning to take place. It is

interesting to note, however, that both investigators, Tolman and Lewin, viewed behavior as both purposive and goal directed with organisms seeking to avoid dissatisfiers and attain satisfiers, this view exhibits a hedonistic influence.

A Cognitive Model

In the remainder of this chapter, a model of human behavior somewhat similar to those proposed by Lewin (1938), Tolman (1959), and Vroom (1964) will be developed (12). The model will have as its basis two assumptions. First, for any group of opportunities, a person has preferences among outcomes. Second, the choices made by a person are rationally related to psychological events occurring contemporaneously.

For any group of possible outcomes, a person has a preference of one possible outcome over the other possible outcomes and a decision by the person to act toward this preferred outcome is logically based on information and concepts as he perceives it at the time. The preference of an outcome by the person will be termed valence. An opportunity or outcome, then, is positively valent if the person prefers attaining it to not attaining it and negatively valent if a person prefers not attaining it to attaining it. It is assumed that a person may have a wide range of valence either positive or negative and that the valence of

any outcome may change over time. These assumptions are necessary since the valence which an individual attaches to a particular outcome is based not on the intrinsic properties of the outcome, but on the anticipated satisfaction or dissatisfaction associated with other outcomes to which they are expected to lead. Opportunities, then, acquire their valence to a person as a consequence of their expected relationship to ends. For example, a machinist may work very hard every day to machine ten parts more than is expected of him. Although the extra output may provide him with some degree of immediate personal satisfaction or group praise, if he feels that performing his job well will result in a promotion to the foreman, giving him more status, prestige, money, etc., the immediate results of his efforts, personal satisfaction and praise, would probably provide little or none of the cause for his attaching a positive valence to the extra work.

If an opportunity is perceived to lead to desired consequences, satisfiers, or to prevent undesired consequences, dissatisfiers, by a person, the person is predicted to have a positive valence toward that opportunity. If, on the other hand, the person perceives that an opportunity will lead to undesired consequences or prevent desired consequences, the person is predicted to assign a negative valence to that opportunity. It is not to be inferred that all the variances in the valence of possible outcomes can

be predicted by their expected consequences. Some people do some things as a matter of fact or on principle, and not necessarily because of observable rewards. A machinist may perform a job well for the job's sake and this itself, doing a good job, may satisfy him.

It is important to distinguish between the valence which a person assigns to a particular outcome and the value or utility which he actually receives from a particular course of action. A person may desire a particular end, assign a positive valence to the outcome, and upon realizing this object, receive no satisfaction from it; or he may assign a negative valence to an outcome which he later finds to be very satisfying. At any given time, there might be a large discrepancy between the anticipated satisfaction or dissatisfaction and the realized satisfaction or dissatisfaction.

There is cause to believe that a person considers more than the possible utility of an outcome when deciding whether or not to pursue a given object or goal. He also considers the probability or likelihood of attaining the outcome which is under question. Psychologists often refer to a momentary belief concerning the likelihood that a particular act will be followed by a particular outcome as an expectancy (12, p. 18). If a person feels that there is no hope of a particular act being followed by a particular outcome, expectancy is zero. If, on the other hand, he is

absolutely positive that the performance of a particular act will result in a particular outcome, expectancy is one. Expectancy then is the probabilistic element of this model and varies from zero to one.

The final direction of human behavior is the result of a combination of valences and expectancies. The combination of the two variables may be considered to result in a field of forces with each force having both magnitude and direction. With such an analogy, the direction of behavior selected by a person and the magnitude of his response would be the resultant vector. Similar analogies to this have been proposed by Tolman (1959) and Luce (1962) (12).

With such a force concept, it is assumed that people select from all possible opportunities the one act which corresponds to the largest positive or smallest negative force. This formulation is similar in many respects to the notion in decision theory that people select strategies in a way that maximizes subjective expected utility. With this as a criterion for selection, an outcome with high positive or negative valence will have no effect on the generation of force unless there is some expectancy, some subjective probability greater than zero, that the outcome will be obtained by some act. As the strength of an expectancy that an act will lead to an outcome increases from zero to one, the effect of variations in the valence assigned to the outcome on the force to perform the act will

also increase. By the same token, if a person is indifferent as to an outcome, valence is zero, neither the absolute value nor variation in the strength of expectancies of attaining it will have any effect on the forces.

Quantification of the Variables

At this stage in the development of a stimulus-response model, only one point remains - the somewhat difficult problem of how to quantify the two variables in the model - valence and expectancy. While there is at present probably no best way to solve this problem, there are at least several tested techniques which provide some results in this direction. These techniques and the assumptions upon which they are based will be discussed in this section.

The Measurement of Valence

One approach to measuring valence is to use verbal reports from the individual himself. If a person says that a particular outcome would be satisfying to him, it might be assumed that he actually does assign such an outcome a positive valence. Operating with this assumption, by methods such as paired comparisons, ranking, etc., a hierarchy of preferred outcomes could then be established by the subject himself.

A second method of measuring valence could be based upon inferences from the analysis of fantasy. With this

approach, subjects are requested to tell stories about pictures presented to them. Based on the content of their stories, a score is arrived at according to the frequency with which different kinds of imagery appear. While the achievement motive has been most frequently studied by this method, work has also been carried out on the motives of affiliation, power, and sex.

A third measure which might serve to quantify valence is the amount of time required to make a decision between possible outcomes of equal expectancy. This technique is based on the theory that a person if given two alternatives from which to select will be quicker in his selection of one response over another if the valence he assigns to each are widely divergent.

Probably the most accurate method of measuring the valence an individual holds for a particular outcome would be to simply ask him how many stabs of a long needle he would endure if the outcome were promised. Using this method, if a particular object was highly preferred, would provide much satisfaction, the subject would be willing to accept more jabs than if the valence were less. Although this technique is not very feasible, it does point out the difficulty of accurately measuring valence. All the methods of measurement presented previously are subjects of much conjecture and admittedly leave something to be desired.

The Measurement of Expectancy

One approach to the measurement of expectancy rests on the assumption that expectancies are reflected in verbal reports by individuals about the likelihood of outcomes. If a person states that a particular outcome is certain after the performance of a particular act, he would be assumed to have assigned an expectancy value of 1.00. If, on the other hand, he said that an outcome had a 50-50 chance of being realized after the performance of a particular act, expectancy value of 0.50 would be assumed.

A second approach is based on the contention that expectancies are best inferred from actual choices or decisions made by the person. Thus, if a subject was willing to wager \$10 for a \$20 prize, he would be assumed to have associated a .50 expectancy value to his winning the prize if he did bet.

The problems of measuring expectancy are very similar to those of measuring valence. It should be realized that anytime any selection or decision is made, it is based upon the ends anticipated by the individual making the decision. Therefore, the ends anticipated by the individual when answering questions concerning his valence or expectancy have their effect upon his decision as do the conditions surrounding the experiment, the information provided the individual, and many other variables.

Summary

The central problem concerning motivation was asserted to be the proper understanding of the direction of human behavior. All of the theories presented in this regard were founded upon and reflect the influence of the principle of hedonism.

A cognitive model was developed upon the assumption that (a) for any group of opportunities, a person has preference among outcomes, and (b) the choices made by a person are rationally related to psychological events occurring contemporaneously. In the model, decisions as to direction of behavior were hypothesized to depend upon the relative strength of forces. Each force being in turn determined by the preference of the individual - his valence toward the outcome - and his subjective evaluation of the likelihood that a given object will result from a given direction of behavior.

CHAPTER IV

MOTIVATION AS ONE SOLUTION

An organization consists of individuals and may employ a wide variety of physical apparatus and facilities. When these elements are properly combined, it appears that something greater than the sum of its parts results. A new and dynamic organism comes into being which is a highly complex set of interrelationships of multilevel parts. If the organization is to long exist, each member of the organization must subjectively evaluate his association with it as satisfying. The creation of such utility is very difficult since the objectives of organizations typically differ from the goals of their members. Were it not for the fact that the realization of either group of objectives was in some measure dependent upon the attainment of both, it would probably be impossible for an organization to be sufficiently want satisfying.

The ability to properly arrange and control the direction of behavior of its members is a prerequisite of any viable organization. This necessitates taking individuals with diverse goals, habits, and skills and establishing patterns of behavior that are consistent with the rational

plan of the organization.

An Analytical Model of Organizational Behavior

In an effort to understand so complex a problem, one approach might be to assume that organizations, although extremely complex in their developed states, had a simple beginning where there were few variables. These variables then fused together generating variables which then fused together generating more new variables and this process continued until the present complex state was reached.

As organizations are formed and developed, there appear to be two dependent variables which give them direction, the motives or goals of the individuals making up the organizations, and the objectives of the organizations themselves. To determine the properties of these variables or parts so as to understand the development of the present state of interrelationships, the development of each will be discussed.

It is hypothesized that human beings in our culture
"(1) Tend to develop from a state of passivity as infants to a state of increasing activity as adults." The adaptation level of an adult at any given age is dependent upon stimulation received between the time of infancy and the time under question. "(2) Tend to develop from a state of dependence upon others as infants to a state of relative

independence as adults." This is primarily the result of learning, as an adult does not respond to a command from his boss on the basis of perceptions and concepts which existed as an infant. Independence is typically characterized by the liberation of the individual from his childhood determiners of behavior, his parents, toward development of his own set of motives. "(3) Tend to develop from being capable of behaving only in a few ways as an infant to being capable of behaving in many different ways as an adult." As an individual develops needs and abilities, the boundaries between them become more fixed. This, in part, explains why an adult is capable of performing one activity well even though he is frustrated by another - something few children are capable of. "(4) Tend to develop from having erratic casual, shallow, quickly dropped interests as an infant to having deeper interests as an adult."

Maturity is typically characterized by an endless series of challenges in which satisfaction is derived from doing something well for its own sake. "(5) Tend to develop from having a short time-perspective as an infant to a much longer time-perspective as an adult." Efforts to seek a secure future through savings, insurance, etc., are typically adult behaviors. "(6) Tend to develop from a lack of awareness of self as an infant to an awareness of and control over self as an adult" (14, pp. 115-120). One of the most important needs of workers is to increase those areas

of their lives in which their own decisions determine the results of their efforts.

Many of the human problems found within organizations are often there because organization members are asked to participate in work situations which coerce them to be dependent, submissive, subordinate, and specialized. The degree of dependence, submission, etc., tends to increase as the organization takes on the characteristics of mass production and decrease as one moves up in the organization hierarchy.

There are at least three characteristics of organizations which result in highly frustrating working situations. These are (a) organizational structuring, (b) directive leadership, and (c) tight managerial control. In adapting to the frustrating properties of work situations, an individual may (a) leave the organization, (b) advance in the organizational hierarchy, (c) become hostile, (d) become apathetic, (e) create informal groups to sanction defense reactions, (f) join a trade union, or (g) shift his self concepts. The members of the organization more removed from the dependent, submissive, etc., work situations, upper management, will in response to such informal activities tend to tighten the formal organization structure, directive leadership, and managerial controls. Such action on the part of upper-management then closes the vicious circle and the seemingly endless process continues (14).

What is Work?

In recognition of the basic problems which a manager faces while attempting to approach organization from an altered point of view, Douglas McGregor (3) in his book, The Human Side of Enterprise, has stated:

People today are accustomed to being directed, manipulated, controlled in industrial organizations and to finding satisfaction for their social, egotistic, and self-fulfillment needs away from the job. This is true of much of management as well as the workers.

The motivation, the potential for development, the capacity for assuming responsibility, the readiness to direct behavior toward organizational goals are all present in people. Management does not have to put them there. ... The essential task of management is to arrange organizational conditions and methods of operation so that people can achieve their own goals best by directing their own efforts toward organizational objectives.

If one looks outside the industrial enterprise for organizations in which people may seek and find "satisfaction for their egotistic and self-fulfillment needs away from the job," there appears to be some significant differences from the assumptions which go into conventional management theory. In the Peace Corps, the political groups, Parent Teachers Associations, etc., people often give of their talents, skills, initiative, and sometimes money. There is no satisfaction other than the satisfaction of accomplishment and no coercion or punishment is necessary. The organizations are generally built around the interest and

abilities of the organization members; and, communication is typically highly informal. The leadership that is displayed is based upon the ability to lead and directed usually toward a clear and often difficult objective. The members of the more successful voluntary organizations seem to be held together by a sense of common commitment to the organizational objective. It seems then, that the more effective of these organizations are made up of capable people that have common interests, are under dedicated and respected leadership, are deeply committed to an objective which is clear and challenging to the members, and thoroughly involved in solving the problems necessary to realize the attainment of the organizations' objective (15).

In lieu of the preceding discussion concerning volunteer organizations, it is interesting to ask ones self, "Just exactly what is work?" Bypassing the standard force times distance response, this question is very difficult to answer. To a carpenter, building a garage is work, and yet the same physical effort might be quite enjoyable to a man building his own garage or a lake cabin. Some men work at playing golf - they earn their living by playing the sport - other men walk the same eighteen hole course and play the same sport for pure relaxation. It is quite obvious, then, that the answer to the question is not simply the expenditure of human energy. Since the amount of energy expended by the men working in the two examples is identical to that

expended by the men not working, the answer to the question must lie in the cause of the expenditure of energy. The carpenter puts forth his energy for reasons or motives other than the anticipated future enjoyment of a garage; and, the professional golfer plays the game for motives other than health and relaxation although these may be two of his multimotives. The question then reduces from one of physical or mental efforts to one of motivation.

The Dual Objective of Organizations

Returning to the highly complex formal organization and the vicious circle confronting management, the preceding discussions would imply that organizational efforts should be directed toward two objectives: First, the maintenance of organizational stability; and, second, the satisfaction of the human desires of the participants' in the organized activity. These two objectives are both mutually dependent and contradictory; therefore, they should be kept separate and clearly distinct. When managing an organization, there should be two frames of reference:

1. As an organizational input-output system which results in the maintenance of organization stability. The purpose here is to stabilize, perpetuate, and stimulate the organization. Certain functions of an

organization are essential if organizational stability and growth is to be realized. These functions are broken down to individual functions or tasks which are then arranged to maintain a cooperative whole. When this is the basic objective, the general tasks are the basic units and the arrangements of these tasks are a function of efficient work flow. The lines of influence that interconnect the basic units of the organization -- "linkage bonds" -- are determined by the requirements of effective coordination of these tasks. The patterns of these tasks and bonds form an arrangement of offices to which duties are assigned and people are merely plugged in.

Job descriptions ^{give} show the functions of the individuals in ^{an} this organization, and each office contributes its efforts so as to contribute to the ^{end} goal of higher elements or offices. The resulting structure is impersonal and the individuals of this structure are inculcated to maximize the efficiency of the organization.

2. The organization as a means of satisfying the members of the organization. With this point of view, the basic parts of the organization

are the individuals and the linkage bonds *base of org.*
 connecting them are ^{ultimately and in} pipes of self-
 actualization _{of ind. goals.} Seen from this view, the
 organization structure is not a hierarchy,
 but it is a function of the means to sat-
 isfy the members.

The basic conflict between these two views is that the former necessarily involves directive leadership, managerial control, and organizational structuring while the latter is designed for member satisfaction. Obviously, the same pattern required to maximize organizational efficiency, say mass production, is not adequate for the achievement of the second objective.

Under the assumption that "work" itself can be satisfying, a more effective solution to the conflict can be found by carefully integrating the two organizational objectives. To do this, management must know and understand basic human needs. Man has five different levels of needs, each of which has effect upon his actions only if it is unsatisfied and all lower level needs have been previously satisfied. The most basic of human needs is the physiological need for food, water, clothing, and shelter. To satisfy this need, most men are motivated to work, thereby earning sufficient money to satisfy this most basic need. Generally speaking, within our culture the standard of living is so high that this basic need is satisfied and

there is little or no motivation resulting from it.

One step above the physiological needs is the need for a reduction of fear and anxiety - safety needs. At this level, inconsistencies on the part of the management tends to arouse a motivation which is directed toward the satisfaction of safety needs. This is within our culture probably the lowest level of need which motivates human action.

Next, above the need for a reduction of fear and anxiety, is the need of the human being to be accepted by his significant others - to belong and be accepted by society, friends, and loved ones - these are his social needs. Many times, management considers social needs to be a threat to the organization. As a result, satisfaction of these needs is often sought outside the formal organization.

Above the physiological needs, safety needs, and social needs are two needs; namely, egotistic needs and needs for self-fulfillment, which seldom are fully satisfied by those other than higher level management, the born-rich, and their counterparts. Although management cannot directly offer the means of satisfying these needs to organization members, it can create an environment which would permit employees to satisfy these needs on their own (24, p. 50).

Motivators and Dissatisfiers

Within our culture, ~~there appears to be two sets of~~

and

factors which closely relate to the levels of job satisfaction, motivation, and productivity - motivators and dissatisfiers.

Dissatisfiers are made up, essentially, of such matters as pay, supplemental benefits, company policy and administration, behavior of supervision, working conditions, and several other factors somewhat peripheral to the task. Though traditionally perceived by management as motivators of people, these factors were found to be more potent as dissatisfiers. High motivation does not result from their improvement, but dissatisfaction does result from their deterioration. Negative motivators can be dissatisfiers, too, but not so frequently as the factors just given.

Motivators, for the most part, are the factors of achievement, recognition, responsibility, growth, advancement, and other matters associated with the self-actualization of the individual on the job. Job satisfaction and high production were associated with motivators, while disappointments and ineffectiveness were usually associated with dissatisfiers (15, pp. 73-74).

With reference to this somewhat different outlook on the incentives which an organization can offer a member, it appears that highest motivation should stem from the challenges of the job itself through the availability of such factors as achievement, responsibility, personal growth, advancement, the work itself, and earned recognition as opposed to management actions which overrate dissatisfiers. Those factors which are peripheral to the task and usually group administered - pay, supplemental benefits, working conditions, etc. - have little motivational value, but their fulfillment is essential to the avoidance of dissatisfaction. An environment which is rich in opportunities

for satisfying motivation needs leads to motivation seeking habits; conversely, work environments with few motivational opportunities encourages preoccupation with factors peripheral to the work itself (46, p. 85).

As is evidenced by the spiraling cost of salaries and fringe benefit programs in business and industry, neither management nor unions, both of whom are responsible for these achievements, are aware of the potential of the work environment itself; rather, attention is primarily focused on factors peripheral to the work environment. With regard to the wide divergence between popular views on incentives and those proposed in this report as well as recent research on motivation, a few examples of motivators and dissatisfiers, as previously defined, are in order. First, consider the effect of working conditions. If the supervisor of a quality control department was assigned an office eight feet by ten feet, carpeted, with one window, and one potted plant, and was the only member in the department who had such a plush office, he would probably accept the assignment and feel that such accommodations were due a man in his position. While performing his tasks, it is unlikely that he would be greatly motivated by his new working conditions since he holds such an office due his role. However, if the assistant to the supervisor, one week later, was assigned an office ten feet by fifteen feet, carpeted, with two windows, and two potted plants,

the inequality, in the eyes of the supervisor, would in most cases serve to demotivate the supervisor to no small degree.

As a second example, consider the effect of salary. If a highly skilled machinist in organization A received \$4.~~00~~ per hour for performing his task and knew of no other organization offering a higher hourly wage, he would probably perform his work at some rather steady pace and not be highly motivated by the fact that he was getting the \$4.~~00~~ per hour since the union obtained the raise for him and he feels that the work he does for the organization is worth that rate, if not more. However, if the machinist learns through the grapevine that organization B is paying their skilled machinists \$4.~~50~~ for doing very similar work, the machinist in organization A will probably feel that he is not receiving what his job is worth. If this inequality, in his own eyes, continues and the union cannot get him a raise in pay to "beat" that offered by organization B, or at least "match it", he may become so dissatisfied that he quits organization A in preference to organization B, or he may simply cut down on his output.

As a third example, consider the effect of achievement. If an engineer is assigned a very difficult and challenging project, and after much hard "work" successfully completes the project, the achievement itself will probably be sufficiently gratifying to motivate him for future projects

since the success would boost his confidence in himself and give him a feeling of personal growth - "nothing succeeds like success". It is interesting to note that had the engineer failed to complete the project, the resulting demotivation from a feeling of failure would have arisen from forces external to failure itself to a large degree (16, p. 82). Also, if a merit raise had been given to the engineer in recognition of his success, it would have been the recognition by others and not money which primarily would result in further motivation of the engineer for later projects. The money, when offered through merit or promotion raises, however, does have its greatest motivating power since, when offered in this manner, it is most closely associated to actual work performance. In addition to providing increased material rewards, it serves as a source of recognition.

With a basic understanding of human needs and more specifically how the work environment itself can serve to motivate organization members, the next step in the development of a goal-integrated theory of organization and management is to develop the operating procedures which fit the central concept of the modified theory; namely, the achievement of a high level of motivation throughout the organization. Such is the purpose of the following chapter.

CHAPTER V

A GOAL-INTEGRATED THEORY OF ORGANIZATION AND MANAGEMENT

In developing a goal-integrated theory of organization and management, it is necessary to build upon some existing theories. The tools which are essential for the stability of the organization itself and the factors which relate to the level of job satisfaction, motivation, and productivity must all be embraced. The theory then must encompass:

- I. The tools of scientific management which consist of:
 - A. The elimination of waste and inefficiency through functionalization, work simplification, standardization, and related processes.
 - B. The division and establishment of work tasks.
 - C. The measurements necessary to determine organization efficiency.
 - D. Budgeting, cost accounting, and cost control.

Even though these tools, which became so

popular with "scientific management", must be included in the modified theory, the basic philosophies behind these resources must differ to the extent that they are consistent, as nearly as possible, with the motivational forces used.

II. The motivational forces which can result from the work itself are:

- A. Safety needs - the reduction of fear and anxiety.
- B. Social needs - social communion, being accepted by society, friends, and loved ones.
- C. Egotistic needs - the desire for distinction, prestige, personal power, status, etc.
- D. Self-fulfillment needs - the desire for personal growth and significant achievement in terms of one's own values and goals - to develop one's full potential.

While these are the human needs which work itself can satisfy, providing the environment is conducive to such motivation, it must be remembered that the maintenance of those factors peripheral to the job - pay, supplemental benefits, etc. - must continue to avoid dissatisfaction.

- III. The function of leadership - no matter how refined the tools of an organization might be or how highly motivated its members, unless the efforts of the organization members are properly focused toward the achievement of the dual-objective, all will be in vain. Such guidance on the part of management demands a highly efficient communication system which permits accurate information flow, an intelligent decision process, and appropriate and adequate exertions of influence.
- IV. A means of conducting a social audit of the organization. Just as businessmen subject themselves to audits of accounts so as to determine the efficiency of the organization, the new theory must contain a means of evaluating the performance of the organization from a social point of view.

These four elements of the goal-integration theory are suggested by the research dealing with the patterns of supervisory behavior displayed by the high-producing managers in contrast to those who achieve mediocre results (17, pp. 184-186).

In determining a criteria for deriving the operating procedures for applying the goal-integrated theory of

organization and management, it is important to realize that the motivational forces directing each member of an organization are most likely to be positively valent with expectancy greater than zero when interactions between each individual and the others in the organization convey to the individual a feeling of support and recognition of his importance and worth as a person. Since the information which stimulates an organization member is based upon his perception of the work situation, it is essential that each interaction he experiences be of such a nature that the individual, in light of his past experiences and expectations, views it as consistent with his motives. With this in mind, the structure of the organization and the manner in which it functions must be of such a nature that each individual will most likely, in light of his past experiences and expectations, perceive all of his interactions with others in the organization as being consistent with his personal goals and contributing to his personal worth.

The most sacred concept held by an individual is his self-concept, each human being seeks to satisfy his desire for a sense of personal worth. Human beings satisfy this desire primarily by observing and interpreting the reactions to his actions by those he perceives as "significant others", loved ones, and those persons he respects. Since an individual's work group is one of his most important face-to-face groups, his interpretation of his interactions

with the members of this group has a very important influence on his self-concept. As a result, most people are very eager to comply with the norms of their work groups so as to be accepted by the group and receive support and favorable reactions from the group. It can be concluded, therefore, that management will make full use of the potential capacities of its human resources only when each person in the organization is a member of one or more well-knit, effectively functioning work groups that have high skills of interaction and high performance goals.

... the greater the attraction and loyalty to the group, the more the individual is motivated: (a) to accept the goals and decisions of the group; (b) to seek to influence the goals and decisions of the group so that they are consistent with his own experience and his own goals; (c) to communicate fully to the members of the group; (d) to welcome communication and influence from the other members; (e) to behave so as to help implement the goals and decisions that are seen as most important to the group; and (g) to behave in ways calculated to receive support and favorable recognition from members of the group, especially those who the individual feels are the more powerful and higher status members (18).

In lieu of the preceding discussion, it seems that the one-to-one relationship found on the typical organization chart would not be functionally efficient for goal integrated objectives. Rather, to maximize individual satisfaction, as well as organizational efficiency, it would be preferable to group role sets together. A role-set may be defined as that group or set of organization members which exert a direct influence formally or informally, upon

another organization member. The behavior of the individual serving as the target of the influence in the role set is then the focal role. (See Figure 2.) To change the actions of one focal role, the entire role set must be altered since the behavior of the focal role is influenced by the entire role set. The bonds connecting the members of the role set are then bonds indicating behavior expectations and influence.

A role set, being that group of roles which the focal role interacts with, should generally be considered to include his immediate subordinates, his supervisor, his supervisor's supervisor, and others on the same level within his department. Therefore, when structuring an organization by role sets, both formal and informal linkage bonds are recognized. It should be mentioned that there are probably many members of an organization other than those included in the role set as described above which exert some influence on the focal role. Many times, individuals outside the organization have an influence upon the behavior of any one focal role; however, those organization members most directly influencing a focal role are probably included in the functional grouping as described.

There are many advantages of a group system of organization and there are some possible limitations. The mere fact that an effectively functioning group will press for solutions to problems which are in the best interest of all

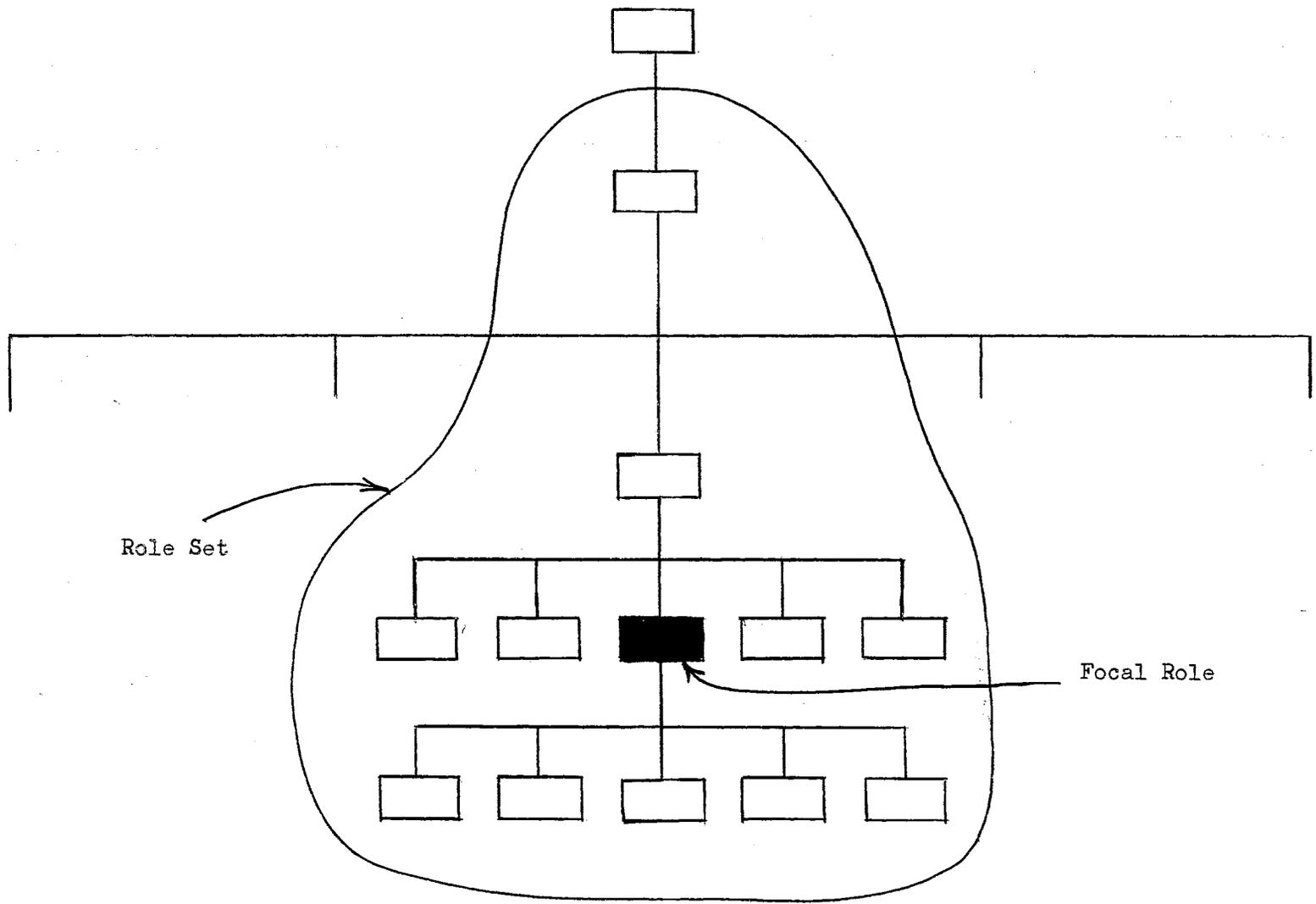


Figure 2. The Role Set for One Focal Role

of the members of the group and will not accept solutions which unduly favor a particular member or segment of the group, provides the superior within the group with an important managerial tool. Group members soon learn that requesting special treatment from the superior of the group violates the group norms; as a result, the members of the group seek only those decisions which are likely to be in the best interest of the group and the organization, as well as themselves.

A second advantage of the group structuring is that motivation to communicate fully and accurately is high. If any one group member withholds pertinent information from the group, he is likely to receive harsh treatment from the other members of the group. Moreover, there is a high motivation on the part of each member of the group to provide his share of information to the group and implement the decisions of the group to the best of his ability so as to achieve the group goals. Since the goals of the group are arrived at through group decisions, each member tends to have high ego-identification with the goals because of the part he played in deciding the group goals.

In addition, group members become familiar with more of the total organization and its various systems giving them the satisfaction of wider participation in the organization. This characteristic of the group system of structuring also provides the organization with more flexibility.

When one member of the group becomes overloaded, another group member can more effectively assume a portion of his load. In a team situation, this is possible since the struggle for power and status is less and promotion is more dependent upon over-all performance. The group members, including the superior of the group, come to know well the strengths and weaknesses of each group member since they all work closely together.

The only factors which limit the effectiveness of a group system are consensus and commitment. What any group member does is dependent upon his estimate or definition of the situation. The definition which he comes up with is in part dependent upon his perspective. As previously mentioned, Chapter III, each human being has many concepts and these concepts are what gives meaning to information received. Each group member learns his concepts or perspective as a participant in the group. Often, many individuals within a group share the same concepts - members who share concepts are in consensus - meaning that they have the same frame of reference.

The degree to which group members can coordinate their efforts is largely dependent upon their degree of consensus. When people share beliefs, they can understand each other, thus permitting a reciprocating adjustment. Therefore, where consensus exists, the basis for coordination exists. Where consensus does not exist, a high degree of

coordination is impossible since the group members will not be able to make reciprocating adjustments as effectively with different perspectives.

For an organization to have a high degree of cooperation, it is not enough that group members share the same concepts; they must also have accepted common objectives. If the objectives of an organization are in conflict with the needs and goals of a group member of that organization, it is virtually impossible for the superior of that group member to behave in a supportive manner and at the same time serve the organization. The extent to which the objectives of the organization are consistent with or in conflict with the goals and needs of the individual organization members determines whether or not a superior has the option to behave in a supportive manner. Therefore, it is essential that there be a maximum degree of harmony between organizational objectives and the objectives of the human beings making up the organization.

In any healthy and virile organization, there will always be some degree of conflict between persons and groups. In creating a positively reinforcing work environment, the problem is not that of removing or reducing conflict; rather, it is a problem of developing managerial tools to deal constructively with conflict and resolve it. In this regard, an organization should be structured in such a manner as to facilitate constructive interaction

between persons and between work groups; the members of the organization should be experienced in effective group functioning; finally, there should be a high level of confidence and trust among members of the organization in each other, high loyalty to the work group and the organization. When an organization possesses these characteristics, the motivations and mechanisms necessary to cope with conflict are present. It is important, however, to realize that conflict can only be productive when an organization is designed to use it constructively. Bitter, unresolved conflict can destroy an organization.

To develop a highly motivated organization then, there must be an interaction and mutual influence process such that, consistent with their objectives and needs, each member of the organization is able to exert at least some influence on the over-all objectives and decisions of the organization, as well as to be influenced by them. Further, this interaction process must function in such a manner that the objectives and functions required for organizational stability and growth are reasonably acceptable to all members and that major conflicts in interests are reduced to a minimum. Consequently, it is important that there be a means of maintaining harmony, as far as possible, between the goals and needs of the individuals and the objectives of the organization.

The goals and needs of organization members, as well

as organizational objectives are continuously changing due to the dynamic environment in which both exist. As persons interact with others, their goals grow and change. Similarly, the objectives of any organization that is to be long lived must change continuously to meet the requirements of changed technologies, changed conditions, increased competition, and the changes in needs and goals of those making up the organization or served by it. The interaction process of the organization must be continuously reviewed and up-dated so as to remain capable of dealing effectively with these requirements for continuous change.

As previously mentioned, it is essential that an organization, which is to function effectively and to satisfy its members, establish sub-objectives for sub-units and sub-objectives for particular individuals which are related to and will implement the organization's objectives. Furthermore, the basic activities and processes necessary to attain these objectives must be agreed upon. Both the establishment of individual objectives and the agreement on the activities required to attain the goals, necessarily involve interactions between members of the organizations. The nature of these interactions determine, to a large measure, the extent to which the objectives and procedures for achieving them will be accepted or rejected by the individual member being assigned the task or group of tasks. If the individual views the task as a challenge and

allowing for achievement, responsibility, personal growth, advancement, and earned recognition, he will be highly motivated and proud of the objectives. This condition will occur only if the objectives are established through the mutual influence process. If this occurs, the objectives will be of the character to serve not only the organization and its immediate members, but also the broader community in the form of customers, suppliers, and stockholders.

In an organization in which there is an earnest attempt to judiciously and wisely integrate the organizational goals with the goals and needs of individual organization members, the efforts of the members will be highly focused and polarized. This polarization will mean that the behavior of all members will be in such a direction as to most effectively achieve the goals mutually accepted by the individuals making up the organization. Such is the condition in the highly successful volunteer organizations, and, in the writer's opinion, similar highly motivated and focused behavior is possible in the organizations of the present culture.

like the Peace Corps, VISTA,
Red Cross and Student E.O.
on their companies.

CHAPTER VI

SUMMARY AND CONCLUSIONS

Management, as it exists in the present culture, is a highly rewarded art since much is yet unknown about human beings, their desires, needs, and motives. During the past decade or two, American business has strived to motivate organization members by paying the highest possible wages and liberal fringe benefits. The humanitarian aspects of the organizations and the potential of motivation through work itself have been neglected to such an extent that productivity has often been impaired. Rather, technical efficiency has become the primary concern of most formal organizations. While the resulting procedures may reduce toil, they, at the same time, tend to stifle many human desires and qualities. Monotony, lack of initiative, fear of responsibility, and lack of ambition are all products of present day practices.

There may be some possibility of improving productivity while applying the insights of much of the available research on group dynamics. While it is true that present day bureaucracies require an organizational hierarchy, directive leadership, and individual submission, all of

these organizational characteristics are in direct conflict with the needs of mature adults (necessitating an individual adjustment which is not conducive to high morale or production). Much research on human motivation and behavior indicates that higher levels of group motivation and production are possible through a process of integrating organizational goals and objectives with the goals and needs of the individuals making up the organization.) In this regard, the application of role theory to the analysis of complex hierarchically structured organizations will lead to a better understanding of the functioning of these organizations and of the determinants of the effectiveness and satisfactions of the individual members. Furthermore, an analysis of standard role prescriptions, role behaviors, and role relationships might also furnish fundamental data for predicting the attitudes, perceptions, and behavior of the members of the organizations. With this information available, the essential procedures for the application of a goal integration theory are possible for any particular situation; namely, the organization structure and its manner of functioning must insure a maximum probability that in all member interactions, each of the individuals involved will, in the light of his background, experience, and expectations, view the interaction as supportive and one which contributes to his sense of personal worth. When such a goal integration is accomplished, it will provide

the basis for tapping fully, and in a reinforcing manner, economic and other more powerful motivational forces in addition to the ego motives.

In this report, it has been taken for granted that every manager who is confronted with the problem of reorganizing an established business or with the problems of organizing a new or expanding business has to operate within a certain market and cope with general economic conditions which he himself does not determine. He must, in addition to this, build up and maintain a profitable organization that can continue to exist under competitive pressures and demands. With this in mind, the application of any management theories must consist of a gradual process of expansion, in tune with competitive needs of the organization, yet nonetheless systematic enough to restore human values to that key position lost during the Nineteenth Century.

Many managers realize the importance of the social aspects of formal organizations and are trying to introduce an increasing measure of democratic control into their organizations. While the value of these efforts must be recognized, and while they may solve partially some of the problems emerging from preceding discussions, their manipulative dangers cannot be overlooked so long as the source of the efforts has as a basic frame of reference the organization rather than a dual perspective, including both the

organization and the human beings of which it consists.

It should be recognized that present day values are deeply ingrained because this culture is at least partially molded by the Judaeo-Christian heritage and influenced by the Western democratic traditions - both of which stress individual pride and dignity. Because of this, the displacement of such profound value systems will not be rapid. The present theories of organization and management, as numerous and varied as they might be, will be with American business for many years to come. The formal organizations of today's culture have found their place as a means of most effectively satisfying human wants, but there is still much to be learned in this regard. This report will hopefully serve as at least one step in this direction.

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VITA

John Denzil Carreker, Jr.

Candidate for the Degree of
Master of Science

Thesis: ORGANIZATIONAL EFFICIENCY AND MOTIVATION

Major Field: Industrial Engineering and Management

Biographical:

Personal Data: Born in Oklahoma City, Oklahoma,
October 12, 1942, the son of John D. and Vida L.
Carreker.

Education: Attended grade school in Oklahoma City,
Oklahoma; graduated from Northwest Classen High
School in 1960; received the Bachelor of Science
degree from the Oklahoma State University, with a
major in Industrial Engineering and Management in
May, 1965; completed requirements for the Master
of Science degree in May, 1966.

Professional Experience: Employed by The Richards
Company, Inc., as a Sales-Office Manager during
the Summer of 1965; employed by the Western Elec-
tric Company, as a Technical Assistant during the
Summer of 1963.

Organizations: Member of Omicron Delta Kappa (honorary
leadership fraternity), Sigma Tau (honorary
Engineering fraternity), Alpha Pi Mu (honorary
Industrial Engineering fraternity), Sigma Phi
Epsilon (social fraternity), Engineering Gavel
Club, Army R.O.T.C. Cadet Officers' Club, and the
Student Chapter of the American Institute of
Industrial Engineers.