Exercise walk-through

Motivation ▪ 2.2

eXercise

You must be able to

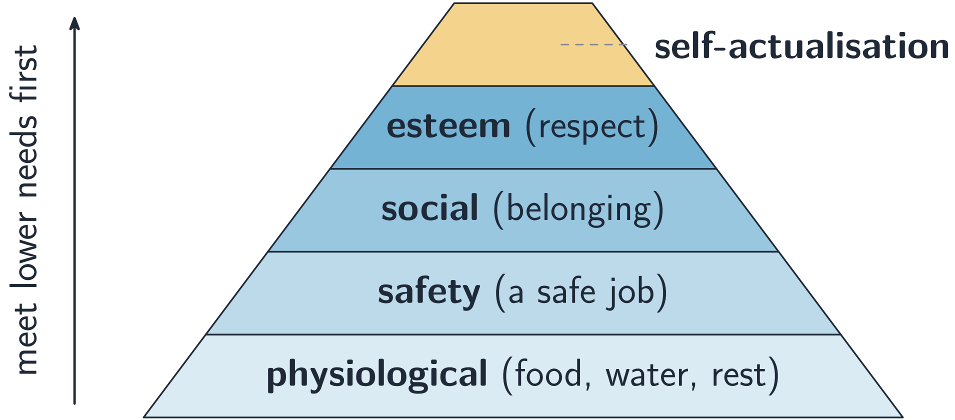
- explain why motivation matters to a business
- outline Taylor, Maslow and Herzberg and apply them
- analyse and evaluate financial versus non-financial motivators

Method — Theories and methods

- **Taylor:** money motivates $\rightarrow$ pay per unit (**piece rate**). **Mayo:** attention and teamwork motivate.
- **Herzberg: hygiene factors** (pay, conditions) only *stop unhappiness*; **motivators** (achievement, recognition) give real motivation.
- **Financial:** wages, piece rate, commission, bonus, profit-sharing. **Non-financial:** job enrichment, rotation, empowerment, teamworking.

Answer shapes: an **Evaluate [12]** on motivation should compare financial **and** non-financial methods, then judge *for this firm and its workers*.

Method — Theories and methods



Maslow's hierarchy: people meet lower needs before higher ones

Method — Theories and methods

hygiene factors
pay, conditions, rules

if poor ⇒ staff unhappy (good ones still do not motivate)

motivators
achievement, recognition

give real, lasting motivation

Hygiene factors stop unhappiness; only motivators give real, lasting motivation

Method — Theories and methods

ways to motivate staff

financial (money rewards)

wages & salary
piece rate,
commission
bonus, profit
sharing

non-financial (better, fuller work)

job enrichment
job rotation,
enlargement
empowerment,
teamworking

Motivators are either financial (money) or non-financial (better, fuller work)

Practice 2.1 ▪ 2 marks

Define the term *motivation*.

Solution 2.1

Worked steps

the desire or willingness of a person to work hard and do a good job (2 for a clear definition; 1 for a partial idea).

Practice 2.2 ▪ 2 marks

State two **financial** motivators.

Solution 2.2

Method: Theories and methods

Worked steps

any two of: wages; salary; piece rate; commission; bonus; profit-sharing; performance-related pay; fringe benefits $(1 + 1)$.

Practice 2.3 ▪ 2 marks

State what Herzberg meant by a *hygiene factor*.

Solution 2.3

Method: Theories and methods

Worked steps

a factor such as pay, working conditions or rules that causes unhappiness if it is poor, but does not truly motivate even when it is good (2 for a clear idea; 1 for a partial idea).

Exam-style 3.1 ▪ 3 marks

Explain one benefit to a business of having a well-motivated workforce.

Solution 3.1

Worked steps

[3] **AO1** 1 — name a benefit (higher productivity; better quality; lower absence; lower labour turnover). **AO2** up to 2 — develop it, e.g. motivated staff stay longer $\rightarrow$ less spent on recruiting and training $\rightarrow$ lower costs (2 developed / 1 limited).

Exam-style 3.2 ▪ 8 marks

Analyse two non-financial methods a business could use to motivate its staff.

Solution 3.2

Method: Theories and methods

Worked steps

[8] For **each** of two methods: **AO1** 1 + **AO2** 1 + **AO3** up to 2. Example chains — *job enrichment*: more challenging tasks → workers feel trusted and achieve more → higher motivation and quality. *Teamworking*: staff share goals and support each other → social needs met → lower absence. Maximum 4 per method, 8 total.

Exam-style 3.3 ▪ 12 marks

‘Higher pay is the best way to motivate workers.’ Evaluate this view.

Solution 3.3

Method: Theories and methods

Worked steps

[12] **AO1** 2 / **AO2** 2 / **AO3** 2 / **AO4** up to 6. **For** pay: it meets basic and safety needs (Maslow), works well for low-paid or piece-rate work (Taylor), and is simple. **Against**: Herzberg says pay only stops unhappiness; once needs are met, recognition, responsibility and interesting work matter more, and pay rises raise costs. Judgement: pay matters most when wages are low, but the best motivation usually mixes financial and non-financial methods — it depends on the workers and the job.