



Motivation = Goal + Control

by Jim Hill

In Silicon Valley, every organizational leader is looking for an advantage. Each looks for a way to make his or her company more agile, flatter, and less reliant on strict hierarchy and structure. Agility and flatness require innovative ways to improve the process of getting the right messages to employees about organizational direction and the actions that will lead to success. In a place where technology is obsolete 18 months after it is a revelation, and where your greatest innovators may be out of college all of three years, smart leaders know that they need effective methods of connecting with their people. There are many reasons why, but three come to mind immediately: The business moves fast; employees have a low tolerance for BS; failing to stay attuned to reasons 1 and 2 is costly. Moving more slowly than the competition is deadly. Not providing direction, guidance, feedback—and freedom—to employees drives them to seek it elsewhere.

Employees Are Smart

People perform well when they are engaged in meaningful work and when they feel they are in control. Creating an environment in which they can develop a sense of control is the role of an organization's leadership. This fact was

recently driven home when I reviewed the findings of *Fortune* magazine's "100 Best Companies to Work For" (Levering & Moskowitz, 2000). According to *Fortune*, rewards and training opportunities constituted a small number of employee concerns in the best work places. What appeared to be far more important to the survey participants was whether they felt their leaders were keeping them informed, whether there was clear organizational direction, and whether they had the tools required to perform well. "Give us those things," said the majority of workers, "and we'll get the job done right."

These results remind us that employees are pretty smart. Even in situations that are less than optimal, most do their best to ensure success. They continue to do so until they get the feeling management is happy with the status quo or is somehow ignoring their problems. When employees face uncertainty, they begin to feel a loss of control, and that is when the best people start looking for another place to work. It's costly in any environment, but with today's competition for highly skilled workers, departures of this type represent a cost most organizations cannot bear. How then, do leaders effectively manage individual employees in such a way as to keep them motivated?

In a nutshell, people need good goals and a feeling of control to perform well. When people feel effective and perceive themselves to be in control, they are motivated. Motivation, then, is driven by a combination of what one chooses to do (goals) and the effort one puts forth toward the activities chosen (effort). When management declines to release the goal-development reins to capable employees, then critical decisions are made away from where work actually gets accomplished. This is asking for trouble. The result is a loss of control for the people who need it most; and it opens the door for motivational problems.

Many people enjoy working in situations where they are able to make more decisions. In these environments, they make strong commitments, since they perceive they have more control and can be more effective. Adding complexity to the situation, however, are other people who do not want to make decisions. For them, being placed in a decisionmaking role, or having to determine what to do instead of being told what to do, represents a loss of control. These people perceive that they are more in control if someone else makes decisions; therefore, they seek out situations where this is likely to occur. So there are two general types of individuals: those who believe they can control situations through their plans and actions and those who believe that control comes from an external source. The issue is a perceptual one, with people asking themselves, “What provides me the ability to increase my effectiveness and control?”

Dealing With Failure and Success

When failure occurs in the workplace, employees will attribute the associated events either to their own behavior or to an external factor. They will further perceive that they can either do something about the situation or they cannot. If individuals perceive that failure is caused by an internal and uncontrollable deficiency, they will probably think themselves “stupid” and may exhibit depression. If they perceive that the failure is due to an external factor they cannot control, they may blame it on prejudice or bias and exhibit anger. Either way is unhealthy.

Healthier situations develop with those who believe they can control the cause of failure. If they attribute failure to an internal shortcoming but also feel they could have done something about it, they may label themselves lazy and express guilt or shame. If they attribute the failure to an external source but still feel they could have affected the situation, they may feel frustrated.

In successful situations, those who believe they controlled the outcome may feel—either rightly or wrongly—satisfied,

proud, or content with their contributions. Those who believe that events were beyond their control may suggest luck or fate as the reason for the success. Whether people believe they control a situation or not, the important point is that they tend to generalize their attributional style to other situations. This affects the way in which they process new information. If, for example, a worker explains his poor performance to internal and uncontrollable causes—“I’m just stupid and I can’t do anything about it”—that worker is likely to carry his or her beliefs to new environments, new jobs, or new situations. In the workplace, this may be detrimental to productivity and organizational success. Moreover, it may also be dangerous.

Motivation

Before people can assume control, they must have something to accomplish. In the workplace or the classroom, there must be a goal, an objective, or a task. In a very general sense, there are three ways in which goals are typically generated:

- Spontaneously, triggered by some personal trait or something environmental
- At the request of an authority figure
- As a reaction to an assigned goal set by an authority figure

Since our focus is the workplace, goals likely emerge from the latter two—either assigned by or negotiated with management. Once faced with an assigned goal, people will weigh it against their personal goals and continue to develop, assess, and reprioritize their goals based on other goals they face.

We know that, overwhelmingly, people try to do what is asked of them, and when people choose to obey another in a position of authority, they are judging the requests from that person as legitimate. There is also evidence that after having goals assigned, personal goals are highly correlated with the assigned goals (Locke, Latham, & Erez, 1988). It appears that assigned goals lead to commitment, because assigning the goal implies that the receiver has the capability of achieving it and because listening to the assignment without objection is a form of consent.

While the three goal-setting methods appear fairly straightforward, the effect these various strategies have on worker effectiveness and goal commitment is anything but. Many have argued that how a goal is set is not as important as the fact that a goal is set. Regardless of the arguments, while goals in and of themselves do not result directly in performance, they do cause people to develop plans for attaining

their goals. This does not mean that these plans or strategies are effective. For easy tasks, in fact, attainment methods are often very broad, and the desired result can still be achieved. But as goal difficulty increases, strategies are of greater importance.

No matter the source of a goal, people must commit before it can be accomplished. What also seems to be important is the level of commitment the individual performer or work group has for a particular goal. Commitment, however, is tied to a number of factors. For example, regardless of what the goal is or how it is established, performers must receive feedback, they must have the situational ability to attain the goal, and they must feel that they have the capacity to accomplish the goal. What else can lead to commitment? Consider the following elements:

Rationality and Consistency. People have a strong desire to appear rational and consistent to others. If a goal is stated publicly, they have a tendency to stick with it.

Volition. The extent to which an individual is free to engage in the behavior is another factor. When people act of their own free will, they create a stronger psychological bond to the goal than if they attribute their actions to external sources.

Leadership Supportiveness. If workers perceive that management is indifferent to the goals that were set either by or for workers, goal-setting tends to have no effect. When employees develop personal goals that support those of the organization, they place their trust in their leaders that the goals will be supported.

Group Influence. While leaders provide one type of pressure, peers provide another. Even in two-person groups, commitment appears to be higher for those assigned group and individual goals than it is for subjects who are assigned individual goals alone (Matsui, Kakuyama, & Onglatco, 1986).

Values, Incentives, and Rewards. Goal commitment also depends on how people value the opportunity. Commitment to action is affected by rewards and incentives. While we often focus on intrinsic rewards, an interesting aspect of the reward variable is the effect of self-administered reward. Positive statements such as “I did well” lead to dramatic performance improvements that are not matched when people are rewarded with tangible prizes (Masters, Furman, & Barden, 1977).

Expectancy of Success and Self-Efficacy. Peoples’ choices about a task are affected by their perceived chances of performing well. Commitment declines as a goal becomes more

difficult or as a person’s perceived chances of reaching it decline. When people have information about how to perform a task, they increase their goal commitment. In addition, having information affects self-efficacy and, again, performance.

Need for Achievement. Many people aspire to accomplish difficult tasks and maintain high standards. As a result, they are willing to work toward distant goals. For these people, the need for achievement is positively related to choice of goal level.

Locus of Control. The factor of locus of control (Rotter, 1966) is perhaps one of the most interesting aspects of commitment. It appears that people with an external locus of control generally set less-difficult goals than do individuals with an internal locus. This is not surprising, since “externals” would be more likely to perceive goal attainment as being beyond their control. “Internals,” on the other hand, are more likely to perceive goal attainment as closely related to the effort they put forth.

Creating a Supportive Environment

To create an organizational environment in which employees can develop a feeling of control, leaders should ensure that employees have the following:

- Power to make decisions about work and performance
- Information about work processes, quality, customers, business performance, competitors, and organizational changes
- Rewards tied to performance and development of capability
- Training that enables them to develop the knowledge required for effectiveness
- Resources that permit them to accomplish their work
- A channel through which their leaders can hear their needs and concerns

Consider the cost of not doing what has been proposed in the previous paragraphs. For many large organizations in Silicon Valley, the average “fully loaded” headcount costs the organization about \$100,000 per year. According to many human resource professionals, the cost of replacing the average worker (which includes the costs of finding, hiring, and training) is 1.5 times the fully loaded cost, or \$150,000 in this example. So losing, then replacing seven employees, costs an organization around \$1 million—and that’s for people who don’t sell anything. Now think about the average sales rep who, let’s say, carries (and achieves) a quota of \$2 million per year. When you lose one of those you need to find, hire, and train a new one. In addition, you lose

the \$2 million (or the portion that had not been achieved prior to departure). In addition to that, you run a very real risk of either losing the customer relationship altogether (which affects future revenue streams) or a significant portion of the potential revenue as you scramble to find someone else to cover the account. So the cost of losing just one good salesperson, or even a potentially good one, can cost you millions. No organization can afford that.

It seems clear that if organizations can push decisionmaking closer to where the work gets done, they can create an environment in which many workers can graduate to larger decisions relating to the operations of their work sections or their department's connectivity with other departments. This may be important to the progressiveness and productivity of the organization, since every good decision that can be made above the "water line" of an organization allows senior management more time to consider those below the water line. It may also be important in light of the expected nature of the future workplace.

The dot-com revolution, the focus on globalization, and subsequent changes in organizational directions and goals are realities that leaders and workers face every day. As organizational leaders, we need to move beyond theory and into the practical by implementing methods that promote motivation. When people are more motivated and sense a feeling of control, they are likely to increase their commitment and productivity. This ends up being an inexpensive yet significant aid to improving organizational success. 🏔️

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