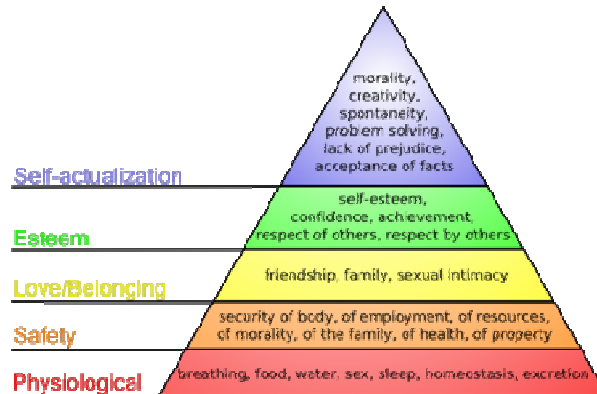


ANNEX NO. 1. SUMMARY OF MOTIVATION AND MANAGEMENT THEORIES

A.Maslow hierarchy of needs.



David McClelland three motives theory

Three major motives in working environment: power, achievement and affiliation. Argues, that need for achievement is fundamental for a manager.

Frederick Herzberg two-factor model

Two groups of factors:

- Extrinsic, or those associated with the environment surround a job (e.g. working conditions, supervision, relations with coworkers, salary, administration). Can demotivate personnel, if are below certain level.
- Intrinsic, or those associated with job itself (satisfaction with work itself, recognition, responsibility, achievement, advancement). Motivating factors.

Expectancy theory

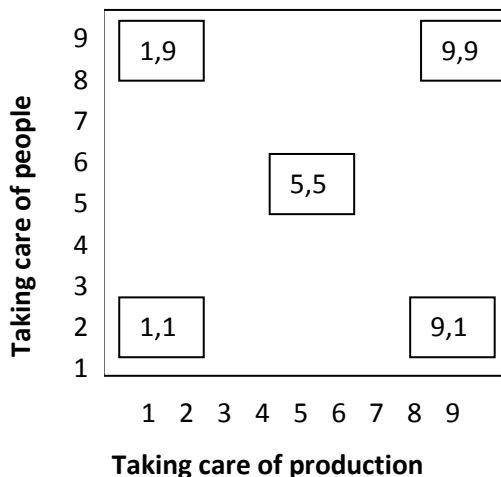
People are driven by the expectation that their acts will produce certain results. Workers assess both their ability to perform a task and the probable type of reward for the successful performance. The likelihood that an action will lead to certain outcomes or goals (E), multiplied by the attractiveness of the outcome (V, its valence) equals motivation (M=ExV).

Theory X, Y, Z

The *Theory X and Y* (McGregor, 1960) argues that the management style a person uses is based on the person's beliefs about subordinates. Managers who believe that subordinates will not work hard without close supervision will supervise them closely and use a Theory X approach. Managers who think that employees are self-motivating and directing will assume a Theory Y approach and give subordinates space and flexibility to work using their own initiative. *Theory Z* is an alternate third approach (Ouchi, 1981) that assumes humans to be basically rational, open to being controlled by reason, and driven by intellect and interdependent relationships.

Managerial grid by Blake and Mouton (1978)

Managerial styles differ on the basis how much attention managers pay to production results and to people.



- 1,1 – weak management
- 1,9 – too little attention for production, however, atmosphere is friendly and comfortable
- 9,1 – autocratic management
- 9,9 – team management
- 5,5 – „middle way“ management

ANNEX NO 2. DECISION MAKING MODELS

Rational

Aims to find ideal decision. Objective, orderly, structured information gathering and analysis to reach an optimally informed decision. Follows the steps:

- 1. Recognize the problem,
- 2. Define goal/objectives,
- 3. Information search
- 4. Construct / evaluate the alternatives,
- 5. Choose the best alternative,
- 6. Implement.

Bounded rationality/ satisficing

Acknowledges constraints of rational decision making model: insufficient information and subjective judgment, conflicting goals.

Usually the early alternatives are adopted due to perceptual limitations.

Satisficing is choosing the best satisfying alternative, acknowledging that other alternatives (possibly better) might prevail.

Linear vs. intuition

- **Linear model:** listing positive and negative factors of alternative, assigning each factor a numerical weight, and assessing the factor value for each alternative. Each alternative is assessed by calculating a cumulative sum of factor assessment x factor weight. Research shows, that better decisions are achieved if compared to intuitive ones.
- **Intuition:** past experience and general sense of situation form decisions. Despite lack of quantitative arguments (e.g., criteria weighting and assessing alternatives), is widely used due to time pressure, limited information, difficulties in assessing alternatives and counterbalancing among weights.

Garbage can

The model acknowledges that decisions are made in an irrational, disorderly manner. Information is collected and used in a haphazard way. Problems, solutions, participants and opportunities are important, however, they are considered in accidental or situation defined manner (e.g. solution might precede the problem).

ANNEX NO. 3. LIST OF REFERENCES AND ADDITIONAL READING

- Adler, N. J. (2002). *International Dimensions of Organizational Behavior* (4th ed.): South Western.
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- Nahavandi, A., & Malekzadeh, A. R. (1999). *Organizational Behavior: the Person-Organization Fit*. New Jersey: Prentice-Hall.
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- Silverthorne, C. P. (2005). *Organizational Psychology in Cross-Cultural Perspective*. New York and London: New York University Press.