# WELCOME!

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**Managerial Psychology**
*Prof. Mare Teichmann*

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## Management cycle: planning, organizing, motivating, controlling

Content: Some important points about planning; Objectives; Kepner' method for priorities; Decision making; Organizing principles; Motivating people; "Why?" and "How?" Maslow theory and stimulation system; Herzberg's theory and stimulation system; Student group work – company's stimulation system

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1918
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## What managers actually do at work?
*(M.W. McCall Jr et al., Centre for Creative Leadership, 1996)*

- Managers have long working days extended with their career
- Managers are always busy
- The work is fragmentized (includes many different episodes)
- There are variations of activities: paperwork, communication (face-to-face, phone calls, and virtual), meetings
- Mostly it is oral communication
- Managers are information users, "sellers", analyzers, decision makes
- Managers are "living" at work
- Managers are not good in time management

### 1918
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## What managers
## actually do at work?

I have to add:
- Interruptions
- A-type personality (impatient listeners)
- Busyness
- Not very good in change their leadership style (depending in situation and task)

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### 1918
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## Some facts about followers
*(EU Gallup, 2010)*

- 88% of workforce like to work well
- 50% of workforce answered that they have to work hard for contribute their salary

### BUT
- 50% answered that they work as much as necessary for avoid troubles
- 75% answered that they could work better

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### 1918
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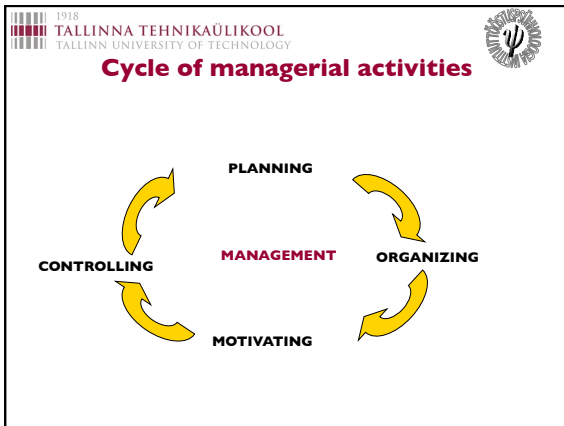TALLINN UNIVERSITY OF TECHNOLOGY

## Some facts about followers
*(EU Gallup, 2010)*

### If you can work better, why you do not so?
1. I don not no how to work better (lack of competence, know-how)
2. Our supervisors does not know how to motivate us
3. If I work better I get no more reward (bonus, higher salary)

## Cycle of managerial activities



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## Planning

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Planning is the process of thinking about and organizing the activities required to achieve a desired goal

Planning in organizations is planned management process, concerned with defining goals for company's future direction and detemining on the mission and resources to achieve those target

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## Some important points about planning

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Planning process *(Montana, Charnov, 2012)*

Three steps **result-oriented planning:**

1. Chooseing a destination
2. Evaluating alternative routes
3. Deciding the specific course of your plan

## Slide 1

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### Objectives

1. Short term goals
2. Long term goals

Levels:
1. Micro – individual
2. Macro – company
3. Meso – national, country-specific, state level

## Slide 2

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### Why company needs the goals?

Goals:
1. Motivating
2. Gives opportunity to organize activities toward own goals
3. Increase self-esteem
4. Increase self-confidence
5. Increase the feeling of success

## Slide 3

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### "Why?" and "How?"

Chaos

PROBLEMS

GOALS

May be we could do it

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### Objectives

**Rules:**
1. Clear goal setting – you have to understand yourself the meaning of own goal
2. Importance
3. Reality
4. Possibility to evaluate
5. Responsibility

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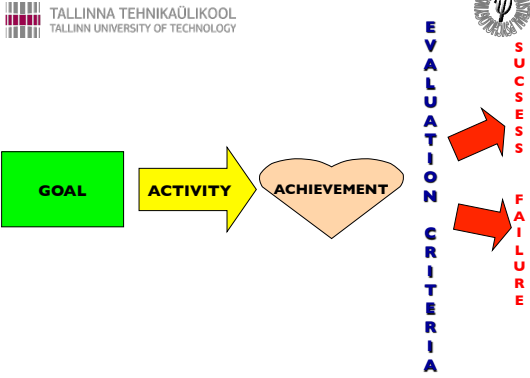
### Company' goals

MANAGERS' GOALS

ORGANIZATION' GOALS

EMPLOYEES' GOALS

There will be frustration,
many types of coflicts: role conflicts, interest conflicts etc.
if the goals are not in one direction

## Slide 3

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EVALUATION CRITERIA

SUCSESS

FAILURE

GOAL → ACTIVITY → ACHIEVEMENT

## Slide 1

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### *Your exercise:* your problems right now
(time period)

| PROBLEM | IMPORTANCE | TIME pressure | SUM |
|---|---|---|---|
| 1 | | | |
| 2 | | | |
| 3 | | | |
| 4 | | | |
| 5 | | | |
| 6 | | | |
| 7 | | | |
| N | | | |

Max = 10 points
Min = 1 point

## Slide 2

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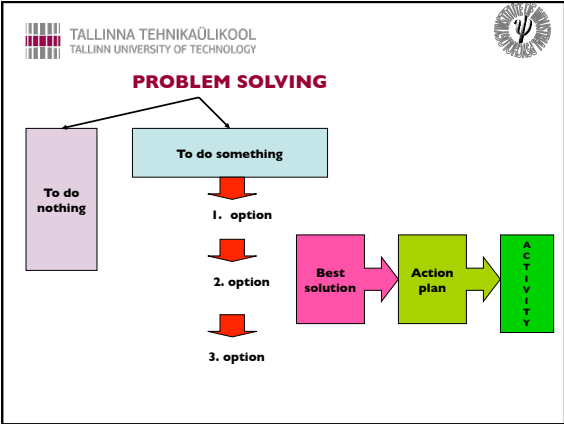
### Kepner' method for finding the priorities

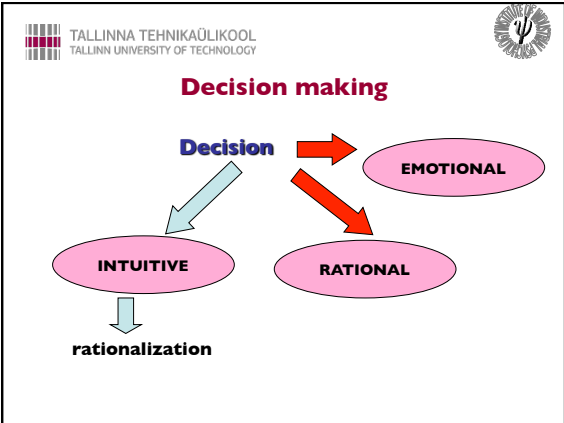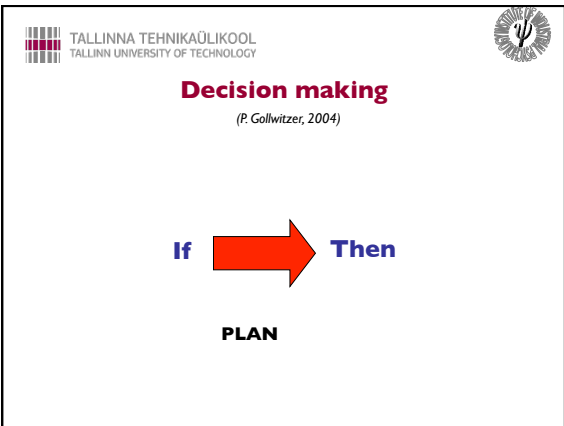| PROBLEM | IMPORTANCE | TIME pressure | SUM |
|---|---|---|---|
| 1. Something a | 5 | 7 | 12 |
| 2. Something b | 8 | 10 | 18 |
| 3. Something c | 6 | 5 | 11 |
| 4. Something d | 10 | 5 | 15 |
| . | . | . | . |
| N Something else | 10 | 7 | 17 |

Max = 10 points
Min = 1 point

## Slide 3

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### PROBLEM SOLVING

**FORMULATION** — Formulation of problem

**GOAL** — Clear and well defined goal

**OPTIONS FOR SOLUTIONS** — Analysis of different variants, different solutions

**BEST SOLUTION** — Best solution in particular situation

**ACTION PLAN** — WHO? WHAT? WHEN?

**ACTION** — Activity

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**PROBLEM SOLVING**

To do
nothing

To do something

1. option

2. option

Best
solution

Action
plan

A
C
T
I
V
I
T
Y

3. option

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**Decision making**

**Decision**

EMOTIONAL

INTUITIVE

RATIONAL

**rationalization**

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**Decision making**
*(P. Gollwitzer, 2004)*

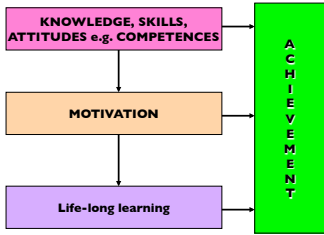**If**        **Then**

**PLAN**

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**SUCCESS = ABILITIES x MOTIVATION X OPPORTUNITY**

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## Result-oriented management

KNOWLEDGE, SKILLS, ATTITUDES e.g. COMPETENCES

MOTIVATION

Life-long learning

ACHIEVEMENT

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## Knowledge management

Konwledge – not any more relevant

KNOWLEDGE AT ORGANIZATION

Relevant knowledge

Not yet necessary knowledge now, but relevant in the future

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**How we get new knowledge?**

1. Importing knowledgably people
   2. Importing knowledge
         3. Learning
         4. Studying

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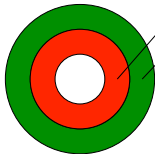TALLINN UNIVERSITY OF TECHNOLOGY

**Motivating people**

**I like it to do**          **I must to do it**

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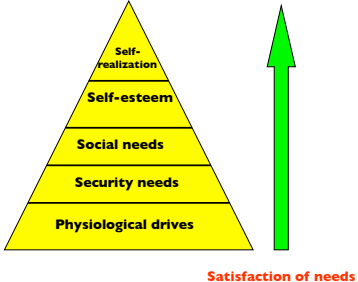TALLINN UNIVERSITY OF TECHNOLOGY

**Motivating people**

**SELF-MOTIVATION: internal force**

**EXERNAL FORCE**
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## Maslow theory and stimulation system



**Self-realization**

**Self-esteem**

**Social needs**

**Security needs**

**Physiological drives**

**Satisfaction of needs**

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## Maslow theory and stimulation system

**Maslow found that person's needs will be satisfied partly (not all or nothing)**

**Average norms:**
- **Physiological drives - 85%**
- **Security needs  - 70%**
- **Social needs  - 50%**
- **Self-esteem  - 40%**
- **Self-realization  - 10%**

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## Maslow theory and stimulation system
## Keith Davis' study

|  | 1935.a. | 1985.a. |
|---|---|---|
| Self-realization | 3% | 20% |
| Self-esteem | 7% | 30% |
| Social needs | 10% | 30% |
| Security needs | 45% | 15% |
| Physiological drives | 35% | 5% |

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1935.a.      1985.a.

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### Motivation *(Roe et al., 2002)*

| | The Netherlands | Hungary | Bulgaria |
|---|---|---|---|
| 1 | Importance of task | Work content | Salary |
| 2 | Autonomy | Importance of task | Work security |
| 3 | Social needs | Salary | |
| 4 | Professional development | Autonomy | |
| 5 | Career | Feedback | |

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### Herzberg's theory *(1959)*
### Dual structure theory
*(Modified by Herzberg)*

**Motivator factors**
- Achievement
- Recognition
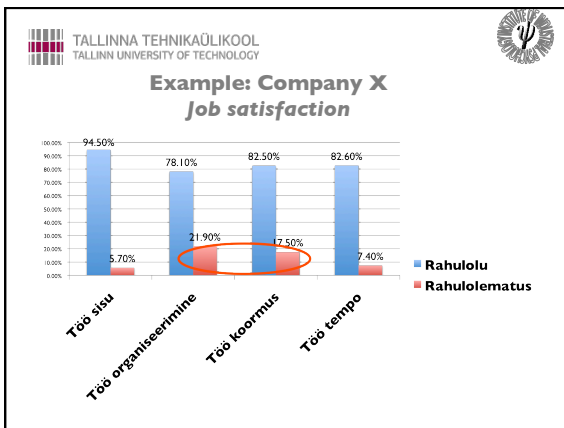- Work itself
- Responsibility
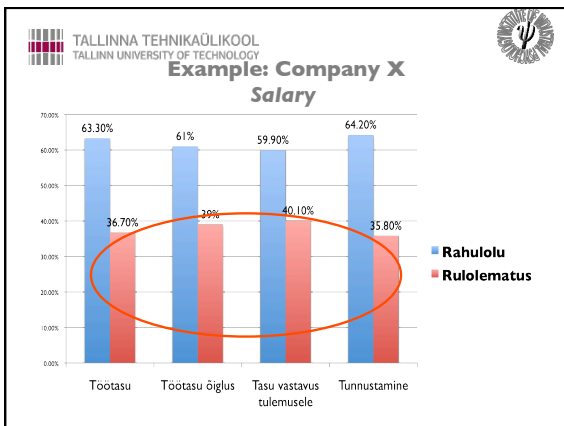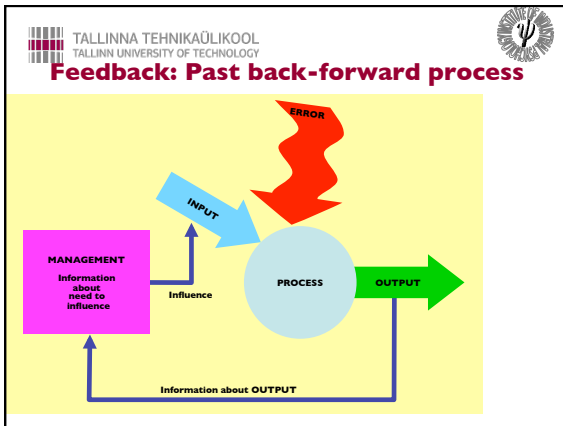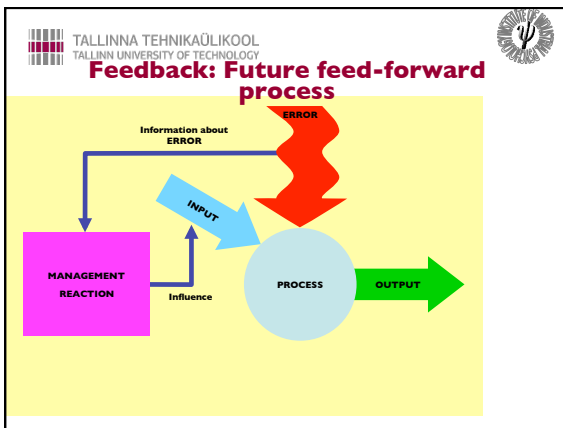- Growth

**Hygiene factors**
- Company policy and administration
- Supervision-technical
- Relationships
- Work conditions
- Salary → Salary
- Supervision-personal
- Working conditions

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**Money**

**Expectation scale**

0.-    MONEY  →   **?**

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**Example: Company X**
*Job satisfaction*



- Rahulolu
- Rahulolematus

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**Example: Company X**
*Salary*



- Rahulolu
- Rulolematus

Feedback: Past back-forward process
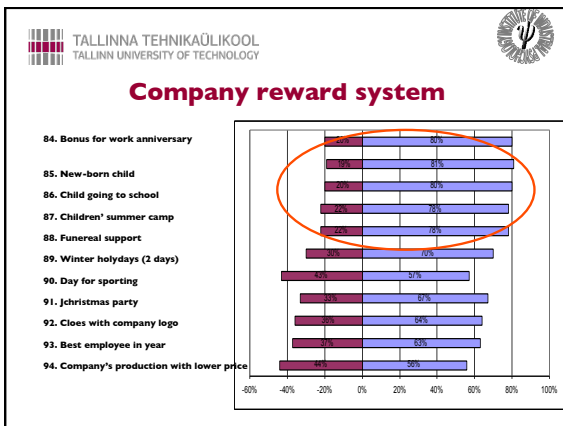


Feedback: Future feed-forward process
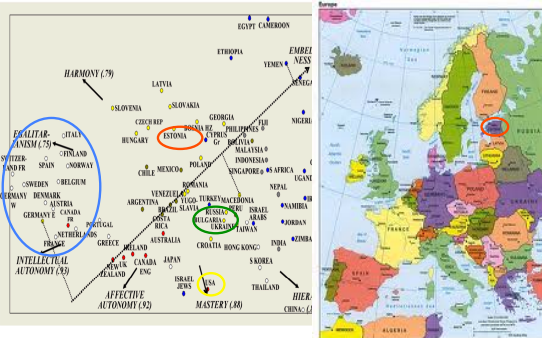


Company reward system

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**Student group work –
company's stimulation-reward system**
by using Maslow' and Herzberg' theoretical models

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**Schwartz' Cultural Regions** *(Sagiv et a., 2007)*



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**Cultural value types** *(Schwartz,1999)*

**Intellectual autonomy** – a cultural emphasis on the desirability of individuals independency pursuing their own ideas and intellectual directions (curiosity, creativity) – W-EU

**Egalitarianism** – a cultural emphasis on transcendence o selfish interests in favour of voluntary comitment to promoting the welfare of others ( equality, social justice, freedom, responsibility, honesty) – W-EU

**Mastery** – a cultural emphasis on getting ahead through active self-assertion (ambition, success, competence) – USA

**Harmony** – a cultural emphasis on fitting harmoniously into the environment (unity of nature, protecting environment, world of beauty) – Poland, Estonia

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# Thank You!

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