Motivation and theory of self-determination: Some management implications in organizations

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Abstract. This conceptual paper describes the important role of motivation in organizations and the Self-Determination Theory that is an approach to human motivation and personality based on humans’ evolved inner resources for personality development and behavioral self-regulation. Some management implications of this theory are discussed to improve motivation of employees and performance of organizations.

Keywords. Intrinsic motivation, Behavioral self-regulation, Competence, Autonomy, Relatedness.

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1. Introduction

In order to explain self-determination theory, it is important to clarify the concept of motivation that originates from Latin word movere = “to move”. Scholars have developed different approaches to analyze and foster motivation in organizations (Ivancevich et al., 1977; Mullins, 1999). In general, the study of motivation focuses on factors that incite a person’s activities to achieve goals and rational choices. Humanity has curious, vital, and self-motivated people that are inspired, striving to learn, wish to extend themselves, master new skills and apply their talents responsibly (Ryan & Deci, 2000; Deci & Ryan, 2004). The early theories of motivation are based on hedonism (Locke, Bentham, etc.): individuals behave in a manner to maximize pleasure and minimize displeasure (cf., Ivancevich et al., 1977). The theories of motivation in management from 1910s to 1960s are based on approaches by Taylor (1911) with scientific management and by McGregor (1960) with human relations movement. Taylor’s approach is directed to maximize labor efficiency of employees, which are motivated by more than money (Taylor, 1911). Recent studies suggest that employees satisfy a variety of needs, such as security, social fulfillment and challenging job (Ivancevich et al., 1977). McGregor (1960) advanced two beliefs about human behavior: Theory X and Theory Y. Theory X has the following assumptions: 1) average human being has dislike of work; 2) people have to be coerced, controlled and threatened with punishment to achieve organizational goals; 3) average human being has little ambition. Theory X was a widely accepted managerial approach prior the human relations movement (Ivancevich et al., 1977). Theory Y, vice versa, considers: 1) commitment to objectives is a function of rewards associated with their achievement; 2) average human being learns; 3) people can exercise self-direction and self-control to achieve goals; finally, 4) intellectual potential of the average human being is only partially utilized (McGregor, 1960; Ivancevich et al., 1977).

Contemporary theories of motivation have two directions: Content and Process theories.

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Content theories of individual motivation focus on the question of what it is that energizes and arouses behavior. These theories identify people’s needs, their relative strengths, the goals they pursue to satisfy these needs, etc. Main content theories are: Maslow’s hierarchy of needs model; Alderfer’s modified need hierarchy model; Herzberg’s two-factor theory; and McClelland’s achievement motivation theory (Mullins, 1999).

Process theories of motivation focus on specific work-related factors that arouse employees to motivated behavior. These theories are: expectancy-based models by Vroom, Porter and Lawler; equity theory by Adams; goal theory by Locke and also attribution theory by Heidler and Kelley (Mullins, 1999).

These theories show different motivation styles and managers should evaluate how to best apply them to specific work situation and organization. In this context, Self-Determination Theory (SDT) is a broad theoretical framework for the study of human motivation and personality in organizations and society (Deci & Ryan, 2004; Ryan & Deci, 2000). Next sections explain the characteristics of this general theoretical framework.

2. Self-Determination theory and underlying approaches of cognitive evaluation and organismic integration theories

SDT analyzes human motivation and personality within a metatheory that highlights the importance of humans’ evolved inner resources for personality development and behavioral self-regulation in organizations (Deci, 1980; Deci & Ryan, 2004; Ryan et al., 1997). The domain of SDT is the investigation of people’s inherent growth tendencies and innate psychological needs that are the basis for self-motivation and personality integration. SDT also examines situational factors that hinder or undermine self-motivation, social functioning, and personal well-being. Moreover, SDT focuses on positive developmental tendencies and social environments that are antagonistic towards these tendencies.

Firstly, motivation can be intrinsic and extrinsic (cf., Malka & Chatman, 2003; Coccia, 2018).

- **Intrinsic motivation** exists in the job itself and gives personal satisfaction to individuals, such as autonomy, recognition, expense preference (e.g., leeway to invest monetary resources), trust and empowerment (Benati & Coccia, 2018). O’Reilly et al., (1991) have suggested that intrinsic motivation may be more important for affective commitment and job involvement within organizations.

- **Extrinsic motivation** can be driven by pay and fringe benefits, gifts, promotion or advancement opportunities, etc.

Human nature has the inherent tendency to seek out novelty and challenges, to extend and exercise one’s capacities, to explore, and to learn. SDT begins with an examination of the determinants of intrinsic motivation and human tendency towards learning and creativity that support motivation, performance, and well-being in organizations. Intrinsic motivation describes natural inclination towards assimilation, mastery, spontaneous interest, and exploration in essential factorsto cognitive and social development for enjoyment and vitality throughout life (Csikszentmihalyi & Rathunde, 1993; Ryan, 1995).

In this context, cognitive evaluation theory (CET) by Deci & Ryan (1985) is a sub theory within SDT that has the aim of specifying factors that explain variability in intrinsic motivation. CET is framed in terms of social and environmental factors that facilitate versus undermine intrinsic motivation. CET also specifies that feelings of *competence* will not enhance intrinsic motivation unless accompanied by a sense of *autonomy* (deCharms, 1968). Within SDT, autonomy is not to being independent, detached, or selfish but rather it is associated with the feeling of

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volition that can accompany any act, whether dependent or independent, collectivist or individualist. Studies show that autonomy supportive parents, rather than controlling parents, have children who are more intrinsically motivated (Grolnick et al., 1997). Autonomy and competence support intrinsic motivation in association with a third vital factor that is relatedness. According to CET, social environments can facilitate intrinsic motivation and people will be intrinsically motivated only for activities that hold intrinsic interest for them and that have the appeal of novelty and challenge. SDT also suggests that the basic needs for competence, autonomy, and relatedness must be satisfied across the life span for an individual to experience an ongoing sense of integrity and well-being (Ryan & Frederick, 1997; Waterman, 1993). Moreover, SDT argues that by failing to support competence, autonomy, relatedness (not only of children but also of students, employees, patients, and athletes, socializing agents and organizations) the possible effect is alienation and ill-being.

Within SDT, Deci & Ryan (1985) introduced a second sub theory, called organismic integration theory (OIT), to detail the different forms of extrinsic motivation and contextual factors that either promote or hinder internalization and integration of the regulation for these behaviors. Figure 1 illustrates the OIT taxonomy of motivational types, arranged from left to right in terms of the degree to which the motivations emanate from the self (i.e., are self-determined). Internalization refers to people's "taking in" a value or regulation, and integration refers to the further transformation of that regulation into their own that, as a consequence, it will emanate from their sense of self.

SDT recognizes that extrinsically motivated actions can also become self-determined. In fact, individuals, with internalization and integration, can be extrinsically motivated and committed. The types of motivation are: external motivation (triggered by outside rewards and punishments), introjected motivation based on internal rewards and punishments, such as guilt and self-esteem, identified motivation based on consistency with one’s system of values, and integrated motivation based on assimilation into one’s system of values (Ryan & Deci, 2000).

Figure 1. Self-Determination Theory (Adapted from Ryan & Deci, 2000).
3. Management implications of the self-determination theory

SDT claims that conditions supportive of autonomy and competence can facilitate vital expression of human growth tendency, whereas conditions of controlled behavior can undermine its expression. Baard et al., (2004) show that employees’ experiences of satisfaction of the needs for autonomy, competence, and relatedness in the workplace predicted their performance and well-being at work. Excessive control and lack of connectedness, on the other hand, can disrupt the organizational tendencies, reducing initiative and responsibility and also generating distress and psychopathology (figure 2).

![Figure 2. Management implications of Self-Determination Theory [+] (plus) indicates positive effects; (minus) indicates negative effects).](image)

Experimental research inspired by self-determination theory suggests that monetary incentives generate two opposite effects (Weibel et al., 2010): a) they enhance extrinsic motivation (the price effect); b) they threaten the need for autonomy, competence, and relatedness, lowering intrinsic motivation—the crowding-out effect—(Belle & Cantarelli, 2015). The crowding-out effect shows that raising economic incentives reduces, rather than increases, supply (Liu & Tang, 2011). Self-determination theory suggests that extrinsic rewards can be demotivating and dissatisfying to individuals (Deci & Ryan, 1985). In particular, extrinsic motivations can undermine perceived autonomy because they have a negative effect on intrinsic interest in a task or job (Deci, 1971; 1975). Moreover, goals for financial success can undermine well-being, because these goals represent a controlled orientation that interferes with the fulfillment of more enduring needs, such as self-acceptance or affiliation (Kasser & Ryan, 1993).
Self-determination theory also suggests that performing a task in anticipation of a reward, under surveillance, or within a time limit, it can decrease intrinsic motivation (Deci et al., 1999). In addition, self-determination theory states that positive feedback, salary, unexpected bonus, competence, and personal growth do not undermine intrinsic motivation, but performance contingent rewards do (Deci et al., 1999). SDT also suggests that employees are intrinsically motivated if they perform tasks based on loyalty, an internalized sense of duty, and/or enjoyment (Perry, 2000; Vandenabeele, 2007). Intrinsic motivation, under certain conditions, can be undermined by pay for performance: giving someone a performance-contingent monetary incentive to do something they already enjoy, it can decrease motivation to do it because the person can view its action as externally driven rather than as internally appealing. In short, extrinsic motivation satisfies personal needs indirectly, because it leads to separable outcomes, such as monetary compensation (Ryan & Deci, 2000). In fact, money cannot produce direct utility, but it enables an individual to acquire desired products. Intrinsic motivation, in contrast, satisfies personal needs directly by creating an intrinsic reward for those who perform tasks (Frey & Jegen, 2001; George, 1992).

4. Conclusion
Psychological economics and self-determination theory assume that individuals may also derive utility from the activity itself (Deci, 1975; Lindenberg, 2001). Pay for performance can lead, under certain conditions, to a crowding-out effect on intrinsic motivation. For this reason, the performance of interesting tasks is likely to suffer in the presence of performance-related pay (Ryan & Deci, 2000; Frey & Jegen, 2001). These predictors of SDT are supported by numerous experiments and field studies in management (e.g., Deci, 1971; Lepper & Greene, 1978; Amabile, 1998) and psychological economics (e.g., Frey & Oberholzer-Gee, 1997; Fehr & Falk, 2002; Irlenbusch & Sliwka, 2003; Falk & Kossfeld, 2006). Overall, then, STD seems to be an appropriate theoretical framework for explaining and supporting motivation of people and for improving managerial and organizational behavior in markets.
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