Recognition and rewards are an integral part of performance management, aren't they? Maybe not - particularly when they create unhealthy competition, break down communication and teamwork, and create a sense of entitlement.

## What Really Motivates People?

Jane Strickler

merican business has always A had a bias toward practical solutions. In some circles this bias is known as "street smarts." People with street smarts aren't bogged down with theories; they know from experience what works and how to get things done. What many practical people with street smarts may not realize, however, is that much of today's practical knowledge about human motivation is rooted in early 20th century behaviorism.

Behaviorism is an idea popularized by B. F. Skinner, the Harvard clinical psychologist who, in the 1930s, theorized that human behavior is motivated by external stimuli (rewards and punishments). Skinner formulated his theories by coaxing rats to run a maze faster and pigeons to peck in a certain pattern by training them to expect a reward for "desirable" behaviors

and a punishment for "undesirable" behaviors. By consistently applying these rewards and punishments, the rats and pigeons learned to expect a reward (food) for behaving in very specific ways. They also learned that if they failed to perform the desired behaviors, they would be punished (by the reward being withheld). Skinner called this kind of training "operant conditioning." He concluded that like his laboratory animals, people too respond to the expectation of rewards and punishments.

Skinner's belief in the use of rewards and punishments to motivate people has become deeply entrenched in the psyche of American business. Of course, it is true that Americans (and people all over the world) are strongly motivated by the opportunity to earn more money and to create personal wealth. So, to practical Americans,

Skinner's theory of operant conditioning seems to make sense—the best way to motivate the American work force is to offer financial incentives. In fact, the last several decades have spawned a plethora of behaviorist programs for motivating people, including bonus programs, merit pay plans, balanced scorecard, annual performance reviews, 360° feedback programs, and many others.

By asking, "How can I motivate others?" American business has tacitly accepted the behaviorist theory of operant conditioning. Managers continue the behaviorist strategy of offering rewards and punishments to motivate workers to behave in a prescribed manner. Most practical American managers continue to believe that by pushing the right motivational buttons they can motivate (manipulate) workers into doing more of what management wants.

On the other hand, numerous studies from the last several decades, cited in Alfie Kohn's book, *Punished by Rewards*, have shown that although using various forms of operant conditioning can deliver short-term results in the workplace, in the long run these strategies damage relationships by creating and encouraging internal competition for rewards, and they destroy intrinsic motivation by reducing work to an economic transaction.

Internal competition, including sales contests and competition for limited resources, promotions, and budget, is a widely accepted motivational strategy. Proponents of internal competition like to argue that "in the real world" it is acceptable, but Kohn and Edward L. Deci, Ph.D., director of motivational programs at the University of Rochester, point out that when people are forced to compete, the attention of those involved in the competition is focused on finding the best way to win the competition—which in the real world is a strong disincentive to cooperate with co-workers. Competitors' behaviors often include withholding information from fellow competitors, hording resources, and even cheating.

Dr. Deci's research, described in his book, Why We Do What We Do, shows that human beings respond best to intrinsic motivators such as earning the respect of co-workers by showing courage in difficult circumstances, having the responsibility of doing one's own work without supervision or rigid rules and policies, and being held accountable for delivering real results for customers and for the organization within which they work.

Of particular interest to practical American managers is Deci's research showing that distracting workers with offers of rewards or threats of punishment inhibits their ability to deliver high quality products and services at the lowest possible cost and highest possible profit. The bottom line for American business is that although individuals in their organizations may win internal competitions or earn the rewards offered, the actual results produced by the entire pool of "players" in the competitions often produce little or no net financial or operational benefit to the organization. In fact, they often make things worse, not better.

Intrinsic motivation is destroyed when work is reduced to a mere economic transaction, points out Peter Block, the well-known management thinker and writer. He says that relying on behaviorist tactics has created a culture of entitlement in which workers are "willing to barter their commitment for a price." Block puts it this way, "I am willing to do what is rewarded, I want desperately to know what they [the management] value, I refuse to do what is not rewarded, and I want greater rewards, especially when I deliver greater and greater results. Ultimately, no level of reward is enough, for my work, and my purpose has become a game. Winning more becomes the point, for I need the game to feel valued. What I may not realize is that when I choose this path, I sacrifice my own purpose... Everything is offered up for auction, the most precious of which is our own freedom.

"We are willing to surrender our freedom, especially in the workplace, in return for protection and promotion. We surrender sovereignty to the boss and they in turn protect us and look out for our interests... Straightforward deal. Subjugation in return for safety...."

Subjugation in return for safety is a bad deal for both workers and bosses. Workers give up their freedom and their joy at work in exchange for money. Workers who become embittered by the Faustian bargain they've made eventually see their mistake, but they realize it's too late. They come to resent their bosses. Workers find ways to do less and less actual work while expecting promotions, annual raises, and job security from their bosses.

Who, in the real world, operates without offering rewards, you might ask? Dennis Bakke, author of *Joy at Work* and co-founder in 1981 of AES and president and CEO from 1994-2002, helped build AES into a worldwide energy giant with 40,000 employees in

31 countries, producing revenues of \$8.6 billion operated this way. He believes, "A joy-filled workplace gives people the freedom to use their talents and skills for the benefit of society, without being crushed or controlled by autocratic supervisors."

Ricardo Semler, CEO of the enormously successful Brazilian-based company Semco (\$100,000 invested 20 years ago in Semco would now be worth \$5.4 million) and author of The Seven-Day Weekend, says of today's mega-corporations, "I believe the time for organizations designed on the 20th century model is over, especially those based unknowingly on the Communist military models...central planning crafted by troikas, mission statements crafted by apparatchiks, five-year plans, no rights to choose leaders in companies, no democracy in the workplace, a clear distinction between intelligentsia and peasants, and state monitoring-time clocks, dress codes, drug screening, 'employee assistance' plans, e-mail monitoring, no smoking, and other personal conduct rules, as well as family-life audits....Redesigning the sustainable workplace for the 21st century means letting in fresh air and giving up control."

Instead of asking, "How can I motivate others?" practical American managers should ask the question, "How can we create the conditions within which to motivate ourselves?"

Here are a few ideas.

• Become a values-driven organization. Make it safe for everyone in the organization to tell the truth; hire people you can trust and then trust them completely. Expect them to do their work and deliver results without the need for supervision or rigid rules; insist that everyone in the organization is honest and ethical—always. Create an environment where showing selfless behavior to co-workers and to customers is expected and celebrated.

- · Create a safe environment. Create an environment where sharing ideas that may be politically unpopular can be expressed freely and appropriately, where everyone can be honest about what they think and how they feel. Celebrate new ideas, even if they seem crazy, in the name of experimentation and innovation. Make it safe to ask for help or mentoring whenever needed, regardless of rank or role in the organization.
- Expect people to be both responsible and accountable. Expect everyone in the organization to be fully responsible and accountable for doing his or her job without the need for supervision; and show appreciation for what each individual contributes.
- Encourage everyone to do his/her best. Expect people on the front lines to design, monitor, and measure the processes and systems within which they work; encourage continuous improvement through constant experimentation.

It is time for practical American business people to stop ignoring the evidence that the behaviorist strategies of rewards and punishments simply don't produce bottom-line results. It is time for American business to challenge the long-held behaviorist assumptions about human motivation. Only in doing so will organizations and people working in them break free of the failed behaviorist theory of operant conditioning and step into the 21st century.



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