

IB Business Management – Human Resource Management

2.4 Motivation – Pink’s Drive Theory of Motivation: Summary Notes



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DANIEL PINK: DRIVE THEORY

Carrots and sticks are so last century. Drive says for 21st century work, we need to upgrade to autonomy, mastery and purpose.

When it comes to motivation, there's a gap between what science knows and what business does. Our current business operating system—which is built around external, carrot-and-stick motivators—doesn't work and often does harm. We need an upgrade. And the science shows the way. This new approach has three essential elements:

1. **Autonomy** – the desire to direct our own lives.
2. **Mastery** — the urge to get better and better at something that matters.
3. **Purpose** — the yearning to do what we do in the service of something larger than ourselves.

MOTIVATION REVAMPED: A SUMMARY OF DANIEL PINK'S THEORY OF WHAT MOTIVATES US

Pink's persuasive theory on what motivates us – in work, school and in our personal lives – is backed by four decades of solid scientific research on human motivation, and highlights an extreme mismatch between the human capital practices that businesses use that the practices that really work.

Below is a summary of Pink's theory on motivation, how it applies to the business world, and how you managers and leaders can update the human capital practices in their organisations so as to have the most motivated and productive employees possible.

THE 20TH CENTURY MOTIVATION MODEL

In the early 1900's, the practice of scientific management was born. The brainchild of Fredrick Winslow Taylor, scientific management was based on the premise that all work consisted largely of simple, uninteresting tasks, and that the only viable method to get people to undertake these tasks was to incentivise them properly and monitor them carefully.

Put simply, in order to get as much productivity out of your workers as possible, you must reward the behaviour you seek, and punish the behaviour you discourage – otherwise known as the carrot-and-stick approach.

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This theory assumes that the main drive which powers human behaviour is the drive to respond to rewards and punishments in our environment. As Pink notes, this suggests “human beings aren't much different from horses – that the way to get us moving in the right direction is by dangling a crunchier carrot or wielding a sharper stick.”

However, scientists began to encounter situations during their experiments where the reward-punishment drive wasn't producing the expected performance results. This led to the discovery of a possible third drive for human behaviour.

THE THIRD DRIVE

Scientists have long known that two main drives power human behaviour – the biological drive including hunger, thirst and sex and the reward-punishment drive already discussed. However in 1949, Harry F. Harlow professor of Psychology at the University of Wisconsin, argued for a third drive – **intrinsic motivation** – the joy of the task itself.

His theory was based on studies of primate behaviour when solving puzzles. Harlow found that when presented with a puzzle, monkeys seemed to enjoy solving the puzzles without the presence or expectation of rewards. He found these monkeys, driven by intrinsic motivation, solved the puzzles quicker and more accurately than monkeys who received food rewards.

Edward Deci, a university psychology graduate student, went on to replicate these findings with humans in 1969, concluding that human beings have an “inherent tendency to seek out novelty and challenges, to extend and exercise their capabilities, to explore, and to learn.”

WHY THE CARROT-AND-STICK APPROACH DOES NOT ALWAYS WORK

Studies such as the ones mentioned previously demonstrated that the carrot-and-stick approach was flawed. It worked well for some tasks, but not others. Why?

The carrot-and-stick approach worked well for typical tasks of the early 20th century – routine, unchallenging and highly controlled. For these tasks, where the process is straightforward and lateral thinking is not required, rewards can provide a small motivational boost without any harmful side effects. But jobs in the 21st century have changed dramatically. They have become more complex, more interesting and more self-directed, and this is where the carrot-and-stick approach has become unstuck.

Pink demonstrated that with the complex and more creative style of 21st century jobs, traditional rewards can actually lead to less of what is wanted and more of what is not wanted. He provides evidence to support the notion that this traditional approach can result in:

- Diminished intrinsic motivation (the third drive);
- Lower performance;
- Less creativity;
- “Crowding out” of good behaviour;
- Unethical behaviour;
- Addictions; and
- Short-term thinking.

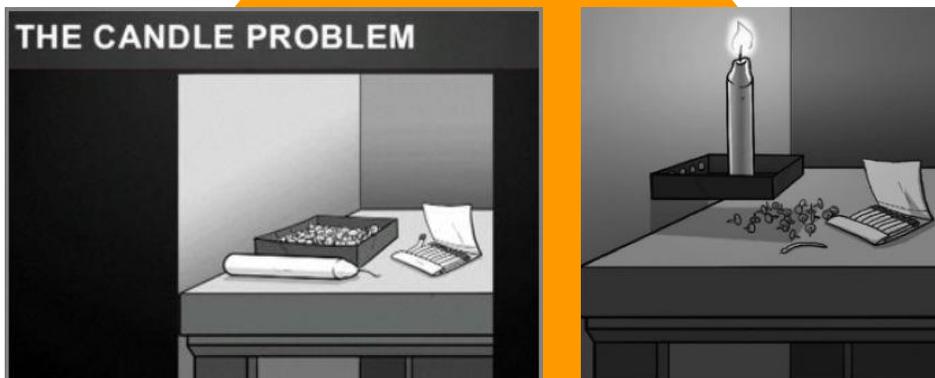
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There are a number of studies cited in the book, and it makes for interesting reading if you can spare a few moments to read the book, but let me use one example to illustrate his claim about rewards leading to reduced performance and creativity.

THE CANDLE PROBLEM

A study was conducted a few decades ago which analysed what happens when people are given conceptual challenges and offered rewards for finding a solution quickly. The exercise presented to the participants was the "candle problem" as shown in the picture below.

To complete the exercise, participants must attach the candle to the wall so the wax does not drip on the table. The solution to the exercise is demonstrated below.



The key to solving the exercise is to overcome "functional fixedness." Participants must see the box as more than a container for the tacks; they must also be able to see its function as a platform for the candle. This task is neither routine nor algorithmic; it requires a relative amount of creative thinking and problem-solving ability.

Participants were split in to two groups, one group was told they were being timed in order to collect norms on solution times for the exercise, the other group were offered monetary incentives for completing the exercise quickly. The results were very interesting. They found that the incentivised group took nearly three and a half minutes longer to complete the exercise than the group who were not offered an incentive. Why? Pink suggests "rewards, by their very nature, narrow our focus." This study further supports the notion that rewards can be effective for routine tasks, but may stifle performance and reduce creativity when tasks demand flexible problem-solving or conceptual thinking.

A NEW THEORY OF MOTIVATION

So, what to do with all this scientific information? Pink proposes that businesses should adopt a revised approach to motivation which fits more closely with modern jobs and businesses, one based on self-determination theory (SDT). SDT proposes that human beings have an innate drive to be autonomous, self-determined and connected to one another, and that when that drive is liberated, people achieve more and live richer lives.

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Organisations should focus on these drives when managing their human capital by creating settings which focus on our innate need to direct our own lives (autonomy), to learn and create new things (mastery), and to do better by ourselves and our world (purpose).

Here are a few initiatives that fit with Pink's revised motivation theory which will assist your organisation motivate its employees in the correct way:

- 1. Autonomy** – provide employees with autonomy over some (or all) of the four main aspects of work:
 - **When they do it (time)** – Consider switching to a ROWE (results-only work environment) which focuses more on the output (result) rather than the time/schedule, allowing employees to have flexibility over when they complete tasks.
 - **How they do it (technique)** – Don't dictate how employees should complete their tasks. Provide initial guidance and then allow them to tackle the project in the way they see fit rather than having to follow a strict procedure.
 - **Whom they do it with (team)** – Although this can be the hardest form of autonomy to embrace, allow employees some choice over who they work with. If it would be inappropriate to involve them in the recruitment/selection process, instead allow employees to work on open-source projects where they have the ability to assemble their own teams.
 - **What they do (task)** - Allow employees to have regular 'creative' days where they can work on any project/problem they wish – there is empirical evidence which shows that many new initiatives are often generated during this 'creative free time'.
- 2. Mastery** – allow employees to become better at something that matters to them:
 - Provide “Goldilocks tasks” – Pink uses the term “Goldilocks tasks” to describe those tasks which are neither overly difficult nor overly simple – these tasks allow employees to extend themselves and develop their skills further. The risk of providing tasks that fall short of an employee's capabilities is boredom, and the risk of providing tasks that exceed their capabilities is anxiety.
 - Create an environment where mastery is possible – to foster an environment of learning and development, four essentials are required – autonomy, clear goals, immediate feedback and Goldilocks tasks.
- 3. Purpose** – take steps to fulfil employees' natural desire to contribute to a cause greater and more enduring than themselves:
 - **Communicate the purpose** – make sure employees know and understand the organisation's purpose goals not just its profit goals. Employees, who understand the purpose and vision of their organisation and how their individual roles contribute to this purpose, are more likely to be satisfied in their work.
 - **Place equal emphasis on purpose maximisation as you do on profit maximisation** – research shows that the attainment of profit goals has no impact on a person's well-being and actually contributes to their ill-being. Organisational and individual goals should focus on purpose as well as profit. Many successful companies are now using profit as the catalyst to pursuing purpose, rather than the objective.
 - **Use purpose-oriented words** – talk about the organisation as a united team by using words such as “us” and “we”, this will inspire employees to talk about the organisation in the same way and feel a part of the greater cause.

The notion of increasing employee satisfaction through the intrinsic motivational methods of autonomy, mastery and purpose has obvious implications for remuneration models and incentive schemes traditionally used by organisations.

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IMPLICATIONS

As discussed, research shows that rewarding behaviour with extrinsic rewards can provide a small motivational boost when tasks are routine, unchallenging and highly controlled. But with modern jobs that are more complex, self-directed and require more creative thinking, rewards can result in:

- Diminished intrinsic motivation;
- Lower performance;
- Less creativity (due to a narrow focus);
- "Crowding out" of good behaviour;
- Unethical behaviour;
- Addictions; and
- Short-term thinking.

It now seems that systems and models organisations have traditionally used to increase motivation and performance are actually more of a hindrance to motivation than a help. It seems organisations are actually getting less of what they want, and more of what they do not want. But what can they do about it?

NEW MODEL OF REMUNERATION

ADEQUATE BASELINE REWARDS

It is a simple fact of life that people need to earn a living. Without money we can't satisfy our basic human needs. Pink refers to an employee's salary, some benefits and a few perks as "baseline rewards". If these baseline rewards are not adequate, then employees will focus on the inadequacy of their remuneration which will lead to anxiety about their financial circumstances, resulting in very little motivation at all.

The first step to creating a remuneration model which motivates employees is simple – ensure baseline rewards are adequate. Adequate baseline rewards won't lead to motivated employees, but it ensures employees are not demotivated by their remuneration.

INTERNAL AND EXTERNAL FAIRNESS

The most important aspect of any remuneration model is fairness, and it comes in two varieties – internal and external. Employees want to know they are being paid fairly in comparison with their colleagues and with the market. Ensuring remuneration is equitable is also not a motivator in itself, but it will reduce the likelihood that money will be an issue and will reduce any demotivation resulting from perceived inequity.

PAY SLIGHTLY ABOVE AVERAGE

Points 1 and 2 will ensure employees are not demotivated. Once these are satisfied, organisation need to look at ways of making their remuneration and incentive models motivating. Organisations should consider at paying their employees slightly above market rates, alleviating the need for rewards and making money less of an issue. Economists have found a higher base pay has more positive effects on performance and employee commitment to their organisation than an attractive bonus scheme.

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DELICATE USE OF REWARDS

Rewards still have a place in boosting performance – but they must be used with caution. Rewards offered as contingencies – “if you do this, then I’ll reward you with that” are generally ineffective and often lead to a focus on the reward itself rather than the task at hand. Instead, organisations should look to reward employees with “now that” rewards – unexpected rewards offered after the task is complete. Such rewards are less likely to be perceived as the reason for doing the task and are thus less likely to be harmful to intrinsic motivation.

CONSIDER NONTANGIBLE REWARDS

Rewards do not have to, and should not, always come in monetary form. Recognition and positive feedback are much less likely to be forgotten and are more likely to increase motivation. Studies have shown that positive feedback can have an enhancing effect on intrinsic motivation. It may seem insignificant and too easy, but a few positive and constructive words and gestures can go a long way to improving motivation and performance.

In short summary, remuneration and rewards should not be the primary method for motivating employees, but getting these aspects of work wrong can prove to be highly detrimental.

This is a lot to take in. I highly recommend reading Pink’s book to get a more thorough understanding of his theory of motivation. If you’re more visually inclined, here is a 10 minute visual depiction of Pink’s theory:

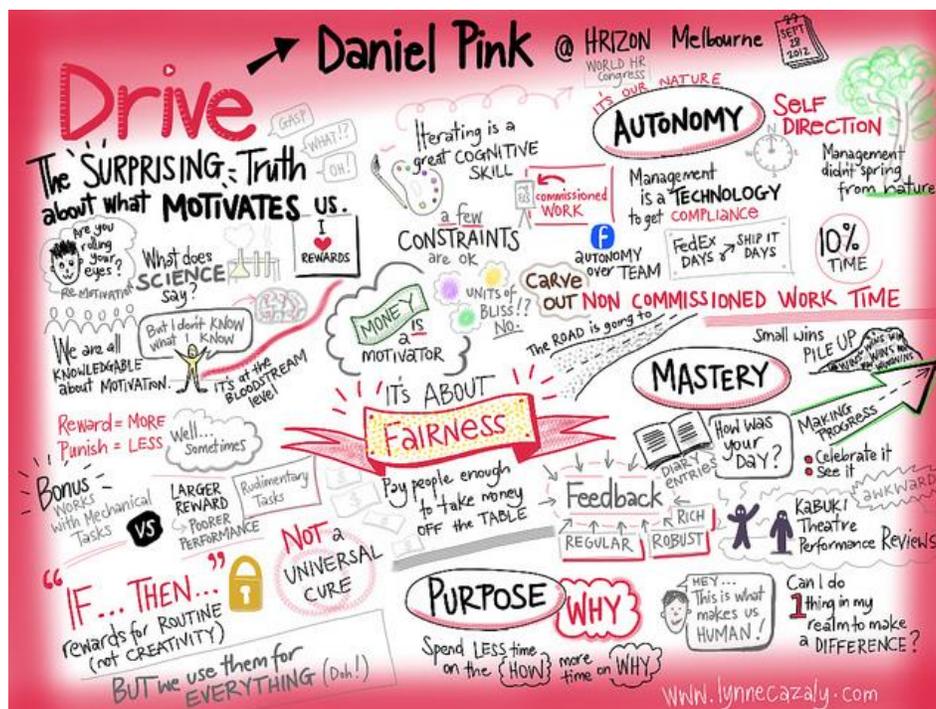


Figure 1: Pink's Drive Theory of Motivation