Bitesize Business Breakthroughs

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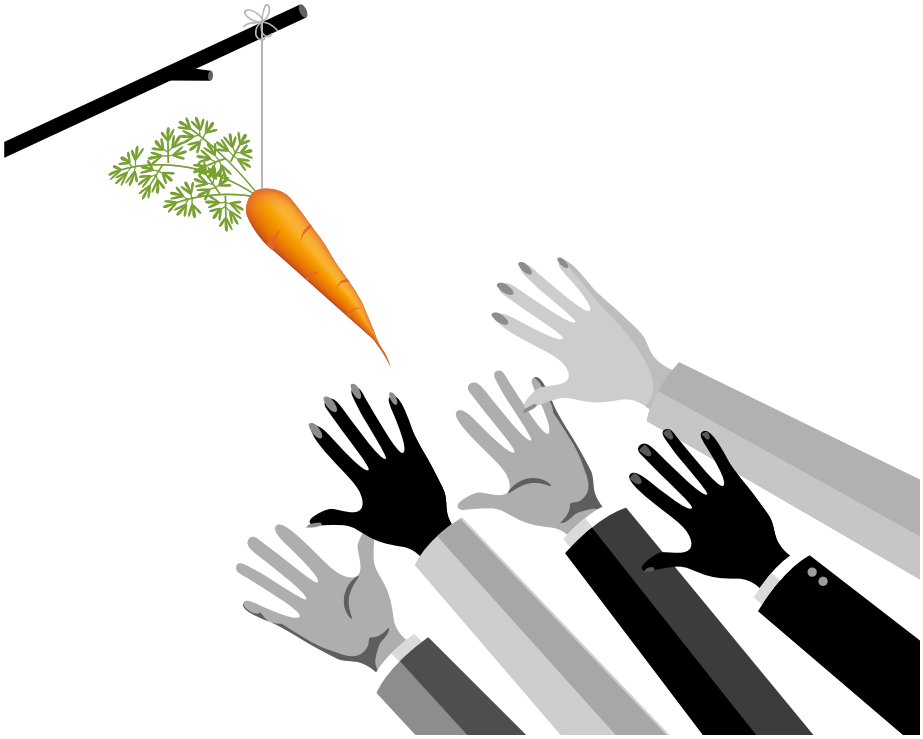
Only when you understand what motivates people will you truly succeed in business...

A young man stands in front of a column of Chinese tanks leaving Tiananmen Square in Beijing on June 5, 1989. The lead tank steers away, but the young man has risked life and limb to obstruct its path. What motivates him?

The young man was expressing his autonomy in a most flagrant, public and risky way. He wasn't responding to the large 'stick' in the form of a battle-tank. He gave us one of the most memorable images of self-motivation (and bravery) of the 20th century.



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Self-motivation at work...

Back in the spring of 2020, most of us were forced to work from home, to wear masks, to avoid contact with friends and loved ones. Our autonomy evaporated, and we had to comply.

Many months later, we'd got used to the freedom of more flexible working practices. Any attempt to force us back to full-time office work threatens our autonomy and has contributed to the well-reported (and worth Googling) 'great resignation' and 'quiet quitting'.

What's going wrong?

KEY FACTS

According to a 2022 PwC research study, 1 in 5 people are extremely or very likely to find a new employer in 2022.

According to Gallup, only 9% of employees (UK statistics – 2022) are actively engaged in the work they do.

In view of the Gallup findings, you might think it's surprising that not more than 1 in 5 people are looking to find better places to work. A 2022 Mercer study of 11,000+ employees suggests it's more like 2 in 5!

These findings suggest we're not yet wise enough about what motivates our people. To understand motivation is to understand how we ourselves behave and how we can influence others to act.

IN A NUTSHELL

By appealing to the self-motivation of your people, you make your business more appealing to existing and future employees, who will then want to help you and your business succeed.

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What really motivates people?

It's an important question.

Driven people are influenced by a blend of motivators.

In his bestselling book *Drive – The Surprising Truth About What Motivates Us*, Daniel Pink points to 3 layers of motivation:

1. Internal biological motivators – hunger; thirst; sex; safety
2. External reward and punishment – carrot and stick – personal gain or loss depending on behaviour or results (extrinsic)
3. Internal psychological and emotional motivators – deep-seated, fundamental

Which of these 3 motivators work best?

We're nearly a quarter of the way into the 21st century and we're still relying on carrot and stick – an extrinsic motivation system developed during the Industrial Revolution!

And yet people will often go to amazing lengths to help or support another person or group or to fight a cause, all without any external carrot or stick motivation – it comes from within.

When we can connect this powerful intrinsic motivation to our business and the work we do, we'll achieve greater team engagement, commitment, enthusiasm, initiative and creativity and will, as a result, attain greater business success.

Consider what Professor Bruno S. Frey, Professor of Economics at the University of Zurich and Distinguished Professor of Behavioural Science at Warwick Business School, has to say:

> *"Intrinsic motivation is of great importance for all economic activities. It is inconceivable that people are motivated solely or even mainly by external incentives."*

In considering how to create a highly enthusiastic team, Professor Frey, Daniel Pink, Gallup and many other sources of research clearly show that intrinsic motivators matter most. And yet most business leaders tend to resort to bonus-style encouragement (carrot) or implied threats and consequences of non-performance (stick).

The research shows that it pays to avoid the slippery slope of using carrot and stick (extrinsic) motivators.

KEY FACT

Neuroscience studies show that financial (bonus) rewards trigger the same part of the brain that responds to cocaine and gambling! Fair salary and benefits are the proven alternative to bonus structures for most roles, as long as other intrinsic motivators are in place as well.

The carrot and stick approach is proving incompatible with how we're all intrinsically wired – the latest research shows us evidence that extrinsic motivators can substantially reduce intrinsic (self) motivation!

Here's the rub...

Use carrot and stick motivators and you reduce the long-term motivation, enthusiasm and commitment-to-the-cause of your people. (You'll find more on the negative impact of carrot and stick motivators by clicking the downloadable tools at the end of this report.)

Instead, you'll get a better payoff when you build knowledge, skill, tools and processes which foster a deep-seated, fundamental and natural desire to enjoy and do worthwhile work (build the intrinsic motivators) within your business.

STOP **relying on carrot and stick (extrinsic) ways of motivating and managing your people**

START **building self-motivating (intrinsic) processes into your business**

How do we start?

Daniel Pink points to 3 key intrinsic drivers:

1. **Autonomy** – the desire to direct our own lives: your people want a say in what they do and how they do it, and when they have this autonomy they are more driven to help you succeed
2. **Mastery** – the urge to get better and better at something: building knowledge and skill is rewarding and worthwhile in and of itself and builds intrinsic motivation
3. **Purpose** – the yearning to do what we do in the service of something larger than ourselves: doing something with worthwhile meaning connects deeply with one's intrinsic motivation

Let's unpack each of these sources of intrinsic motivation.

Autonomy – people want to direct their own lives

Pink's research suggests that our human 'default setting' is to be autonomous and self-directed, rather than to be controlled by others.

Unfortunately, many leaders and managers see their role as one of controlling, or even dictating, what needs to be done. Is it therefore any wonder that people disengage from their work, as the Gallup research shows?

To help build the autonomy of your people, Pink points us to the **'Four T's'**. Consider the questions from each section (with your people, to build

autonomy!) and you'll be installing the foundations of intrinsic motivation and success in your business:

a. **Task** – Employees of both Google and 3M are reported to spend 20% of their working hours on projects of their own choosing. As one Google worker explained: "Just about all the good ideas here have bubbled up from 20% (autonomous) time". Post-it notes came from 3M's 20% time.

   In what other ways can you encourage and support your people in determining and deciding upon the work they should do in order to achieve your business vision and purpose?

b. **Time** – Since the Covid-19 lockdown enforced working from home for millions of us, we have all had an uplift in time autonomy (and we all want to keep it).

   How do you work with your people to ensure they maintain autonomy over their time whilst also achieving their career goals, supporting others in the business, exceeding client expectations and securing the results of the business?

c. **Team** – Wouldn't it be a great idea if, after a job candidate has worked for 30 days, his or her prospective teammates voted on whether to hire them full time?

   Of course, this level of autonomy for employees in regard to the team in which they work is challenging. In what other ways can you and your people build autonomy around who works in the team and how they work together?

d. **Technique** – Deciding not only what to do, but also how to do it, builds an even deeper level of autonomy across your team.

Mastery – people want to get better

Clear goals, immediate feedback and challenges well-matched to our abilities are the three elements that will deliver a sense of mastery, building intrinsic motivation.

Importantly, Pink points out that when you get these working:

"...we don't just enjoy it more, we do it better. That's why it's odd that organisations tolerate work environments that deprive (their) people of these experiences."

Goals, tasks and feedback should be connected to what Pink calls 'Goldilocks tasks' – challenges that are neither too difficult nor too easy (they're just right!). Avoid the mismatch between what people **must** do and what they **can** do when agreeing on goals and tasks. Because...

"when what they must do exceeds their capabilities, the result is anxiety. When what they must do falls short of their capabilities, the result is boredom."

Naturally, to ensure you're following through on promoting autonomy, your people will be actively involved in setting their Goldilocks goals and tasks. Add to this regular, immediate feedback, and your people will be much more engaged in their work.

Purpose – people want what they do to have meaning and connection

Humans, by their nature, seek purpose – a cause greater and more enduring than themselves. When you connect your people to the worthwhile and meaningful purpose of your business, you'll experience greater engagement, motivation and drive from them.

Traditional businesses have, for too long, considered purpose a nice-to-have accessory, so long as it didn't get in the way of the important things, such as making money.

But the world has changed...

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4 helping hands for you...

You know that building a successful business requires a team effort.

Insight, understanding, skills and processes that help you bring all the discretionary effort (unused energy, effort and time) of your people requires high levels of self-motivation. Your role as leader is to create the environment to enable this.

To access this intrinsic motivation means creating a work environment where strong autonomy, mastery and purpose are alive and kicking for all your people.

1. **Take the long-term motivation of your team seriously – This means that you never again rely on the quick and easy motivational fix associated with extrinsic (carrot and stick) motivation. Instead, build autonomy, mastery and purpose into the way you work with your people. Remember – this does not stop you rewarding or thanking your team AFTER their successes.**
2. **Get serious about autonomy – Control might well lead to compliance, but it can undermine the engagement of your people. Rather than just controlling your people, build your skills and processes for engaging with them. Answer the questions relating to the 'Four T's' of autonomy.**
3. **Get serious about mastery – Pink talks about achieving a sense of flow for all your people. Achieving flow and mastery requires that you improve the way goals, tasks and feedback happens around each person's Goldilocks (just right) tasks.**
4. **Get serious about purpose – Yes, your business must be profitable. But the evidence shows that greater success is achieved when your people connect with worthwhile meaning in the work they do (and not just so that they can keep their job = stick!). Working out, communicating and bringing to life a core purpose builds more and more intrinsic (self) motivation.**

The book suggestions on the next page provide deeper insights into building a work environment where high-grade self-motivation is the norm. When this happens, your success is more than likely.

You'll better engage and motivate your people if you pursue a 'purpose AND profit' approach – and these are not mutually exclusive. In fact, seek out the names of the businesses from Raj Sisodia's insights in his book, *Firms of Endearment*, and you'll discover that high-purpose businesses are more successful!

If a sofa and chair company can connect their sewing machinists and upholsterers to the meaning behind their furniture business by sharing customer stories about the surgeon or teacher who relaxes in her favourite chair after a tough day, what can you do to connect your people to the meaning behind what your business does?

For more about putting purpose to work in your business, please seek out our Business Breakthrough report specifically regarding purpose – what you stand for. To see 'purpose AND profit' in action, check out the website for the clothing company Patagonia.

When you look for ways to maximise your team's autonomy, help them work towards mastery and find purpose in what they do, you'll end up with a more motivated, engaged and enthusiastic team. And you'll be on the road to long-term success.

TIME TO DISAGREE:

"It really doesn't seem fair that the people who help the business succeed through their hard work, creativity and commitment shouldn't be rewarded for their efforts."

You're right.

This is where both language and context matters. The way you acknowledge or, rather, thank your team is important.

The research clearly shows that for non-routine, conceptual or creative tasks, rewards are extremely perilous, particularly those of the 'if-then' variety.

Telling your team that **if** they create a striking and inventive marketing campaign or resolve a thorny business problem, **then** you will take them out to lunch and give them a generous bonus, you risk damaging the long-term motivation of your team. You risk undermining the future success of your business by telling your team to expect an external reward for their good work. Your people may become more concerned with the reward than they are with the inherent satisfaction of doing a worthwhile job. And the speed and quality of their work reduces!

Set up the task focusing on the 3 drivers – autonomy, mastery and purpose – so that they appreciate the value, importance and meaning of the work, and encourage them to do it their way (with your help and guidance).

When they succeed, you have avoided using 'if-then' carrot and stick drivers. But you can now use 'now-that' to thank them.

A 'now-that' reward is a NON-CONTINGENT reward given AFTER a task is complete. A 'now-that' reward is much better for supporting creative, right-brain work. It is a better way to recognise and reward your team while carefully retaining and respecting their intrinsic motivation and fairly recognising their contribution to the business.

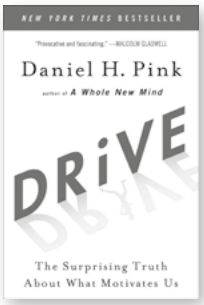
ULTIMATE ARGUMENT:

"Carrot and stick has been working for a long time – why change and create more work for ourselves?"

Pink's evidence, the Gallup research and the research from Bain & Co, McKinsey, Mercer and many others actually demonstrates that carrot and stick motivators do not work well – unless they are attached to simple, repetitive and mundane tasks.

Yes, changing things can feel tough, but when the reward is a business achieving sustainable success because your people are engaged and motivated, it is worthwhile work. Working out the Goldilocks goals and tasks attached to building the intrinsic motivators into your business is where you start so that you can experience autonomy, mastery and a sense of purpose. We wish you every success.

Want to know more?



Check out Daniel Pink's book, *Drive: The Surprising Truth About What Motivates Us*, for more insights on mastery.

For additional information on autonomy, mastery and purpose, click on the download tools button at the bottom of this report.

GET YOUR BITESIZE SUPPORT TOOLS NOW

https://businessbreakthrough.online/motivation-works-tools-and-resources/
Use these tools and resources to start building intrinsic motivators into your business that build a natural desire within your team to do worthwhile work.

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