

## **CREATING EXTRAORDINARY ORGANIZATIONS**

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I am writing this letter for those pioneers who want to move beyond the ordinary to the Extraordinary in creating business organizations.

Please feel free to pass this letter on to anyone you think would like to join this journey to Extraordinary.

Sent only to recipients who have personally opted to receive it. To change your sign-up information, please follow the instructions at the end of this letter.

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**THIS ISSUE:**

### **ARE YOU MAKING MOTIVATION WORK FOR YOU? Part 3**

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Welcome to Letter 9 of Creating Extraordinary Organizations. In the last letter, I talked about some different ways of categorizing the needs that lead to motivation. I based this mostly on the work of Abraham Maslow and Edward Deci. In this letter, I am going to look at some additional ideas around motivation. These will come from the work of Frederick Herzberg and again Edward Deci.

#### **Frederick Herzberg and Satisfiers Versus Dissatisfiers**

Herzberg studied the various consequences of acting in the work place. They fell into two categories. He called one "hygiene" factors because they come from what he called our "animal nature." They correspond closely to Maslow's Deficiency needs.

Hygiene factors include company policy and administration, supervision, interpersonal relationships, working conditions, salary, status, and security. His research showed these factors lead people to report extreme dissatisfaction with the job.

Herzberg called the other set "motivator" or growth factors. They include achievement, recognition for achievement, the work itself, responsibility, and growth or advancement. These factors lead people to report extreme satisfaction with the job.

The factors leading to satisfaction relate to the upper levels of Maslow's hierarchy of needs. Those leading to dissatisfaction relate to the hierarchy's lower levels. We must address both

satisfiers and dissatisfiers. However, we want to pay special attention to the former. An organization cannot reach Extraordinary without meeting higher-level needs.

### **Internal Versus External Control**

The locus of control is extremely important. Here is Edward Deci's definition of autonomy that I quoted in the last e-letter. This time, I am including more of what he says because it contrasts control with autonomy.

"To be autonomous means to act in accord with one's self—it means feeling free and volitional in one's actions. When autonomous, people are fully willing to do what they are doing, and they embrace the activity with a sense of interest and commitment. Their actions emanate from their true sense of self, so they are being authentic. In contrast, to be controlled means to act because one is being pressured. When controlled, people act without a sense of personal endorsement. Their behavior is not an expression of the self, for the self has been subjugated to the controls. In this condition, people can reasonably be described as alienated.

Those who talk about "motivating" others usually want to control them. They want to know how to get others to do what they want them to do. There are two possible responses to external control— compliance or defiance.

Neither helps the individual or the enterprise. Under compliance, you get the minimum effort and results a person needs to meet demands. Under defiance, you get less. Even worse, you may get decidedly negative results. Controlling is neither healthy nor effective.

### **Intrinsic Versus Extrinsic Rewards**

Intrinsic rewards lead to intrinsic motivation or doing something because it is what we choose and want to do. Extrinsic ones lead to extrinsic motivation or doing something because someone else wants us to do it.

Intrinsic rewards are such things as the sense of accomplishment from a job well done or the satisfaction of knowing you made a difference. These are ends in themselves not just means. They lead to psychological health. They also lead to high commitment and energy. Functioning from intrinsic motivation will often produce exceptional results.

Extrinsic rewards are such things as money, job titles, and awards. They are seldom ends in themselves. They usually have definite limits. There is only so much money available, only a few fancy job titles, and a limited number of awards.

This means an added downside of producing competition, which has more negatives than positives. They also tend to relate to the lower levels of the motivational hierarchy. When a person fulfills these lower needs, they no longer act as motivators. This limits their motivational power.

Extrinsic rewards have two more drawbacks. Once you start using them, you cannot stop. People who do something just for the reward will stop if you stop the reward. Therefore, extrinsic

rewards are ineffective if we want the behavior to continue after the rewards stop. Research shows that giving rewards for A's will not work to build learning as an ongoing behavior.

Second, if people work for an extrinsic reward, they often take the most direct route and expend the least effort to get it. For instance, salespersons may make sales at unprofitable prices in order to get their sales bonus. Similarly, they may make the easy sales rather than expend time and effort on harder ones that might be better for the company.

It is possible for extrinsic rewards to be positive, useful, and even necessary. Most of us do need money. It is utilitarian though not highly satisfying. Some people see the amount they make as a status symbol. Receiving a reward can be a satisfying indication of esteem from others. However, this is only fully true if we were not working for it. If we work for a reward to please our spouse or parents, it has a completely different meaning.

The underlying issue with extrinsic rewards is the intent of the giver. If we give a reward strictly to show appreciation or support, it is likely not to undermine intrinsic motivation. It may even help it, as the person may feel more competent or feel higher self-esteem.

However, if the giver means to influence the person to repeat the behavior, it is controlling. This will have all the negative effects that controlling brings into play. To paraphrase the saying, beware the stranger bearing gifts who would control us.

In summary, there are two points to take away from this discussion.

1. All levels of needs are important in motivation. However, the chance to fulfill the higher levels is even more important for both the individual and the organization.
2. We want to strive to design an environment in which intrinsic motivation is the norm. Extrinsic motivation controls and harms the individual and ultimately the organization.

Deci quotation is from "Why We Do What We Do - Understanding Self-Motivation", Penguin Books, Edward L Deci and Richard Flaste, 1995

## **ANNOUNCEMENTS, INFORMATION, AND COMMENTS**

**On Line Interview** — You can find the recording of my interview on VoiceAmerica.com on "Creating Extraordinary Organizations" at:

<http://tinyurl.com/nq9i>

**E-Letter Archive** — You can find PDF versions of published e-letters at:

<http://www.extraordinaryorganizations.com/Eletter/index.html>

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**Until Next Time**

This completes our look at motivation and factors relating to it. I hope this has heightened your interest in the topic. I also hope it has heightened your awareness of both its complexity and its importance in designing and living within organizations. Next time I will be writing about the concept of purpose. If there is any topic more important than motivation, it is purpose.

Be Well and,  
Be Extraordinary!

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