



INSPIRING WAVES OF CHANGE

## MOTIVATION - THE 'STICK AND CARROT' WAY

### INTRODUCTION

All organisations use a variety of motivational tools and techniques to motivate their employees in attempts to ensure that they perform to the best of their abilities. This can range from tangible benefits like bonuses and paid holidays to intangible processes like job rotation and the setting of work goals. Sadly, many of these attempts fail. The question asked is, why is this so? Why are organisations not able to harness the full potential of their employees? What motivates employees? Why do employees differ in relation to their motivational needs? These are all perplexing questions, which have got no clear answers. Motivation is a nebulous element that has been studied and practised throughout history, and yet today, we are still unclear as to how to harness it effectively.

### **The relativity of motivation**

Motivation is that which energises, directs and sustains a person's efforts; hence its complexity. The elements that motivate differ from person to person, from situation to situation and from time to time. Using a simple illustration, a bottle of water will have more value to a person lost in a desert as compared to a person who is not. Rescue the person and put him or her in a hospital and the motivational value of the bottle of water will depreciate. Health then becomes relatively more important.

Another example is in relation to overtime. When doing overtime, employees have a choice between doing extra work and getting extra money, or less work and less money. Some individuals may find that the idea of earning more money outweighs the drawback of having to do extra work. On the other hand there will be those who place more importance on spending time with their families and are thus not amicable to spending more time at work. The same item may therefore motivate according to the person's circumstances at the time. In both these instances, it is clearly demonstrated that motivation is relative and has different values to different people, dependant on circumstances.

### **The Carrot and Stick Approach to Motivation**

A very widely known motivational concept is the 'Carrot and Stick' approach. Many managers see motivation in terms of this notion and so their efforts to motivate is limited to asking the question; should I bribe people or simply threaten them? However when put into practice, this concept is found to be more complicated than this. To motivate is to change behaviour. How can you change the behaviour of people, both as individuals and as a group or team? Using the carrot and stick approach, there are basically two ways; behaviour is changed by force or by choice through the use of incentives.

The 'stick' or fear is a good motivator and when used at the correct times can be very helpful. In that context, fear has always been the 'convenient' choice of Malaysian managers and organisations. When all else fails, the stick approach is somehow most attractive as it usually produces instantaneous compliance and hence immediate results. Fear is also attractive as in the short term, an employee's performance may be improved without any need for incentives or financial remuneration.

Fear however has its weaknesses in that an organisation motivated by fear is prone to mutiny. It can also be stressful for employees. It is extrinsic, which means that the motivation only works while the motivator is present. When the motivator goes, the motivation also usually goes. Fear is also only useful on a short-term basis, as it needs to be applied in ever-increasing doses. In a worst case scenario, fear motivation can backfire and could even lead to cases of sabotage.

On the other hand, people contribute or become more productive because they are offered incentives i.e. the carrot approach. The major advantage with this is that it can work very well as long as the incentive is attractive enough. A good illustration of this concept is by using the well-known analogy of a donkey with a

carrot dangling in front, and with a cart behind. In this instance the carrot serves as the incentive. However, the carrot will only serve as an incentive if:

- The donkey is hungry enough.
- The carrot is sweet enough.
- The load is light enough.
- A combination of the above.

If any of the above is not satisfied, then the carrot will not serve as an incentive. On the assumption that the conditions are satisfied, there is still the question of letting the donkey take a bite of the carrot from time to time, otherwise it is going to get discouraged. A new scenario will then develop in that if the donkey gets to eat the whole carrot and is now not hungry anymore, putting another carrot in front of it will not serve as an incentive, until it gets hungry again. This is very often seen in organisations where salesmen on meeting their quota, stop working as their motivation is only limited to meeting that target.

Once the donkey has eaten the carrot, the next carrot may not be as attractive an incentive as the first. On the other hand changing the incentive to another vegetable may not necessarily motivate unless the donkey perceives it as a better incentive than the carrot. This is another very important element in motivation and that is the reward must be perceived as attractive enough. Otherwise it will not serve its purpose effectively, and may in fact backfire. For example, if someone is elected the employee of the month and is then given RM 10/ as a reward, this will serve to de-motivate as it is considered to be below perceived expectations. Is money the best 'carrot'?

There is also the often asked question of what is the best 'carrot'? The obvious answer to this seems to be money. People need money to feed, clothe, and house themselves and their families: this being the basic assumption of Maslow's theory. Hence, organisations have always based their motivational schemes on this premise that the more money you give to employees, the harder they will work. But is this true?

In her article 'Managing People: Lessons from Matsushita Konosuke,' Professor Etsu Inaba of the Asian Institute of Management, spoke of a survey that she conducted of middle managers working in well-managed companies in four Asean countries i.e. Malaysia, the Philippines, Thailand, and Indonesia. All the respondents of this survey received salaries slightly higher than the industry average. They could join their company's competitors at salaries of between 30 and 50% more. When asked 'What would make you stay with the company you are working for now?' their replies were:

- Clear growth potential for the company.
- A career development plan for employees.
- Professionalism in management.

Money was important but it did not appear to be the only concern for the respondents as they were proud of the company that they were working for. The findings of the above survey were complemented by a survey carried out by New York based consulting firm Towers Perrin. In that survey one of the main questions asked was "What is the biggest long-term motivator for you?" The results were different from the survey done in Asia, but money was still not the number one factor. The responses in ranking were as follows:

1. Working for a leader with vision and values.
2. Pay raises and bonuses.
3. Being given greater responsibility.
4. Developing the respect of subordinates and peers.
5. Being given recognition from supervisors and managers.

Simply put, money is not the reason why these respondents want to work. In that context, a billionaire like Bill Gates and two generations after him could live very comfortably with all the money that he presently has, and yet he is known to be a workaholic. Quite clearly, a monthly pay cheque is not the main motivation for people like him or the people mentioned previously, to go to work.

Money is important, but it does not override the fact that there are other factors that may be better motivators at the appropriate times. In that context, no motivating factor can be looked at in isolation. No factor by itself will serve to motivate perpetually. There must be a combination of factors which when used

together will serve to achieve the overall objective of increasing or at least sustaining the motivational levels of employees. Organisations, which recognise this, will be well on their way to having motivated employees.

## **Conclusion**

Organisations and managers who have the knowledge and skills to motivate employees will always be a step ahead of their competitors; as well motivated and happy employees are invariably easier to manage and thus more productive. The question is why is this situation so difficult to achieve? Perhaps the answer is that most organisations, in the process of motivating their employees have paid more attention to the tangibles rather than the non-tangibles. The trouble with tangibles is that like the carrot, its attractiveness wanes with time and you have to provide more and more attractive incentives. At the end of the day, a word of praise from the Head of Department can mean more than tangibles like paid holidays. If only organisations and managers can reconcile and complement their tangible rewards with the intangibles? That would surely be a winning combination. Perhaps herein lies the long sought after secret to motivation.