

June 4, 2009

Employee Engagement in Hard Times: Focus on Intrinsic Rewards

By Ken Thomas

In this hyper-competitive, recession-battered environment, companies are counting more than ever on a motivated, engaged workforce to deliver the performance that will keep them in the ball game. Unfortunately, the same economic forces that make employee engagement so vital are also posing severe challenges to motivation in the form of salary freezes/cuts and layoffs. Companies are vexed with the task of boosting engagement at a time when the resource that is typically associated with work motivation—money—is scarce. Don't fret, however. To put a new spin on a popular political phrase, "It's the work, stupid! (not the money)," that really gets people excited about their jobs.

If you ask people what keeps them engaged and energized at work, they talk more about their work than money. When it comes to workplace motivation, however, we exhibit "pluralistic ignorance" —the shared, mistaken idea that our own experience is unique. If you ask us what engages and motivates other people, we tend to assume it's mostly financial. In fact, the person who is more engaged by the work than the money is not unique, but quite typical. Research has shown "intrinsic" rewards—those positive emotional charges we get from excelling at work we find meaningful—are more powerful influences on day-to-day engagement than money.

What We Mean by Engagement

Compared to previous generations, our jobs today require us to exercise more judgment and initiative—to "self-manage" and take responsibility for achieving goals. This is why engagement has become so vital. Engagement manifests itself in the basic steps of self-management, and adds value to our work:

- committing to a meaningful work purpose
- choosing how to best accomplish the purpose
- performing work activities competently
- ensuring we are making progress toward the purpose

The Intrinsic Rewards that Drive Engagement

In the *new Work Engagement Profile*, a diagnostic and training assessment, identifys the four basic intrinsic rewards people receive from work, all of which flow directly from the steps of self management. It is these rewards that energize us to stay engaged:

Sense of meaningfulness: The feeling that your work contributes to an important purpose—something that makes a positive difference, and is worth your time and energy.

Sense of choice: The feeling that you are free to choose how to best accomplish your work—you can apply your intelligence, try out new ideas, and perform in ways that make sense to you.

Sense of competence: The feeling that you are performing your work activities in a competent, high-quality manner you can take pride in.

Sense of progress: The feeling that you are accomplishing your work purpose—things are on track and moving forward.

Research shows these intrinsic rewards have powerful benefits for both the organization and employee. From the organization's viewpoint, intrinsic motivation manifests itself in improved employee retention, concentration, innovation, and ratings of effectiveness. Further, employees become enthusiastic recruiters for their organization as a place to work, and recommend its products and services to potential customers.

From the employees' perspective, intrinsic rewards create a greater sense of well-being and satisfaction. Work hours are filled with more positive feelings and fewer negative ones. They also experience less stress and report improved professional development. Overall, intrinsic motivation is a healthy, sustainable form of motivation that doesn't result in burnout. People perform and remain because they derive satisfaction from the work.

Leading for Engagement

Engaging leaders work to ensure their teams have the basic building blocks for each of the intrinsic rewards:

Sense of meaningfulness: non-cynical climate; clear values; an exciting vision; relevant work; and whole tasks

Sense of choice: authority; trust; security to take reasonable risks; clarity of purpose; information

Sense of competence: knowledge and models; positive feedback; skill recognition; challenge; and high, non-comparative standards

Sense of progress: collaborative relationships; milestones; celebrations; access to customers; measurement of improvement

In addition to the more familiar elements of job enrichment/empowerment, these building blocks include elements that are less about job design and more about climate and leadership style. Engaging leaders consistently look for credible evidence of meaningfulness, choice, competence and progress they can share with their team members. They talk about the positive impact a new project can have, give examples of people who have come up with creative choices, appreciate signs of increasing ability, and draw attention to accomplishments. They combat cynicism, link work to people's passions, and create a vision of what is possible.

Getting Started

As a first step, you'll want to determine how engaged your team is by measuring to what degree they are receiving the intrinsic rewards. Afterward, identify areas that are lacking.

For example, a team of trainers may report a comparatively low sense of progress if they have limited opportunities to see the effects of their training; or a team operating in a bureaucratic environment may report a low sense of choice. Armed with this knowledge, however, the leader can use the building blocks for the identified reward to boost or restore it—and to solicit ideas from the team. This process is a great way of reenergizing a team that has lost momentum in the midst of the economic downturn.

Because motivation is a key component of effective leadership, you'll then need to consider making work engagement via intrinsic rewards a major focus of your leadership development program. You'll find this is an effective way to draw the best performances from your team. Put simply, we all need the pride and satisfaction we get when we add value in our work. Sure, we need the money—but once we're at work, we want to do something we can be proud of. And, day-to-day, that's a more powerful force in our engagement.

Ken Thomas is co-author of the "Thomas-Kilmann Conflict Mode Instrument." His new assessment, the "Work Engagement Profile" (with Walter Tymon), provides a means of gauging the level of intrinsic motivation within an individual or organization, and tools for using the four intrinsic rewards to increase work engagement. Ken is also author of "Intrinsic Motivation at Work: What Really Drives Employee Engagement."