

Beyond Carrots and Sticks: Servant-Leaders  
Enhance Performance through Intrinsic Motivation  
By Kent M. Keith

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What are your assumptions about the people you lead? Do you think that they are extrinsically motivated, and will only work if you threatened them with punishment or offer them rewards? Or do you think that they are intrinsically motivated, and do their best when they find their work to be interesting and satisfying? How you answer these questions will make a big difference in how you lead them. It will also make a difference in how well your colleagues perform.

*Skinner's rats and pigeons*

Ever since B. F. Skinner conducted his experiments on rats and pigeons more than fifty years ago, the “radical behaviourism” he espoused has been well established in business organizations. The rats and pigeons Skinner used in his experiments were “conditioned” by rewards and punishments. The way to control people, Skinner concluded, was to do the same. Want to get something done? Offer a financial incentive or issue a threat, and people will improve their performance. This is sometimes described as the “carrot and stick” approach used for motivating donkeys to move forward: wave the carrot in front as a reward, but use the stick in the back as punishment if the donkey doesn't move fast enough.

People, of course, are not rats, pigeons, or donkeys. Empirical research over the past thirty years has demonstrated the limitations of rewards and punishments as motivators for people. They may work in the short term, especially for routine tasks. In the long term, however, they may be less effective, and can even be counter-productive.<sup>1</sup>

*The advantages of intrinsic motivation*

Meanwhile, the advantages of intrinsic motivation are substantial and well-documented. Dr. Kenneth W. Thomas, in his book *Intrinsic Motivation at Work*, reported on sixteen years of research that he and his colleagues conducted. He wrote:

...Studies show that the intrinsic rewards are consistently related to job satisfaction and to performance. These findings hold across types of organizations and for managers as well as workers. Studies have also

shown that the intrinsic rewards are related to innovativeness, commitment to the organization, and reduced stress.

James M. Kouzes and Barry Z. Posner, in their book, *The Leadership Challenge*, wrote:

...The research is very clear. External motivation is more likely to create conditions of compliance or defiance; self-motivation produces far superior results. There's even an added bonus. People who are self-motivated will keep working toward a result even if there's no reward, but people who are externally controlled are likely to stop trying once the rewards or punishments are removed...

Kouzes and Posner concluded that leaders must foster conditions under which everyone will do things because they *want* to, not because they *have* to. Thomas explained: "We are now at the point where the biggest gains will come from systematically improving intrinsic rewards—making the work itself more fulfilling and energizing so that workers don't want to leave it."<sup>2</sup>

### *Hygiene Factors and Motivating Factors*

One of the most-read articles in the history of the *Harvard Business Review* is an article by Frederick Herzberg entitled "One More Time: How Do You Motivate Employees?"<sup>3</sup> Herzberg believed that the factors that led to extreme *satisfaction* at work were achievement, recognition, the work itself, responsibility, advancement, and growth. He called these factors "motivators" that are intrinsic to the job. The factors that led to extreme *dissatisfaction* on the job were company policy and administration, supervision, relationship with the supervisor, work conditions, salary, relationships with peers, personal life, relationships with subordinates, status, and security. He called these factors "hygiene" factors that are extrinsic to the job.

Herzberg argued that the factors that produce job satisfaction and the factors that produce job dissatisfaction are not the opposite of each other. They represent different sets of human needs. The hygiene or extrinsic factors were the primary cause of unhappiness on the job. Employers need to get the hygiene factors right so that employees will not be dissatisfied. Salaries, for example, need to be fair, so employees will not be unhappy.

While the hygiene factors are important, getting them right may not be enough to make employees happy and motivated. According to Herzberg, what motivates people and makes them happy is another set of factors, the job

content factors—achievement, recognition, the work itself, responsibility, advancement, and growth. He concluded: “If only a small percentage of the time and money that is now devoted to hygiene... were given to job enrichment efforts, the return in human satisfaction and economic gain would be one of the largest dividends that industry and society have ever reaped through their efforts at better personnel management.”

### *Motivation and Servant Leadership*

Robert K. Greenleaf, who launched the modern servant leadership movement, worked for AT&T from 1926 to 1964, years in which AT&T was one of the largest corporations in the world. As the Director of Management Research for AT&T, he was directly involved in employee research, as well as training, educating, and evaluating company managers. As a result of his extensive experience with business leaders, Greenleaf focused on *intrinsic* motivation, especially the motivating factors of growth and the meaning of the work itself.

Herzberg believed that “motivation is based on growth needs. It is an internal engine, and its benefits show up over a long period of time.” Greenleaf agreed. In his classic essay, *The Servant as Leader*, Greenleaf urged servant-leaders to focus on growth. His test for the effective servant-leader was: “Do those served grow as persons?” Helping people grow is a key concept in servant leadership, and a key to organizational growth and greatness (see *Today’s Manager*, March 2013).

Kenneth W. Thomas and his colleagues identified four intrinsic rewards at work: (1) a sense of meaningfulness, (2) a sense of choice, (3) a sense of competence, and (4) a sense of progress. Servant-leaders attend to all these intrinsic rewards. They help their colleagues to find meaning in their service to each other and their customers. They build competence through training and development. Then they unleash their colleagues, encouraging them to make more choices. Finally, they coach and mentor their colleagues, providing feedback and marking their progress.

Greenleaf said that servant leadership starts with the desire to serve. The desire to help others is known as “prosocial motivation.” Research conducted by Adam M. Grant, a professor of management at the Wharton School, concluded that when intrinsic motivation and prosocial motivation are both present, employees display higher levels of persistence, performance, and productivity.<sup>4</sup> The desire to serve is an important motivating factor.

### *Meaningful work*

Greenleaf gave special attention to the meaningfulness of the work itself. He proposed what he called a new business ethic:

*the work exists for the person as much as the person exists for the work.*  
Put another way, the business exists as much to provide meaningful work to the person as it exists to provide a product or service to the customer.<sup>5</sup>

Thomas said that “a sense of meaningfulness” arises from the opportunity to pursue a worthy purpose or valuable mission, one that matters in the larger scheme of things. He noted that “organizations now find themselves competing to attract and retain workers on the basis of the meaningfulness of their work.”

Greenleaf believed that for anything great to happen, there must be a great dream—a mission or vision great enough to unify an organization and employees. For Greenleaf, that dream was about creating a more just, caring, and productive society, with more creative opportunities for its people. As Eisenstat and colleagues reported in their *Harvard Business Review* article: “High-commitment high-performance CEOs understand that being part of an enterprise that is helping to create a better world unleashes the commitment and energy of their people.”<sup>6</sup>

### *The best results*

As Dr. Robert Liden has reported (*Today's Manager*, March 2014), scientific research has shown many advantages of servant leadership, including more effective teams, more fairness in the workplace, and enhanced employee performance, commitment, and community citizenship. Given the servant-leader's focus on intrinsic motivation, it is not surprising that servant leadership also results in greater job satisfaction, more organizational citizenship behaviors (voluntarily pitching in to get things done), and more helpful and creative employees. Research conducted by Dr. Liden and his colleagues in Singapore demonstrated that servant-leaders enhanced the prosocial motivation of their followers. To put it simply, employees are more motivated when they work for servant-leaders and focus on serving others.

It is tempting to rely on the carrots and sticks. It is also easy to think that if the hygiene factors are in place, all will be well. As important as extrinsic motivation may be, it is not enough. Intrinsic and prosocial motivation yield the best results. Leaders should focus on growing employees and enriching their jobs with intrinsic rewards and opportunities to serve. That's what servant-leaders do.

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## Notes

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<sup>1</sup> See for example, Edward L. Deci, *Why We Do What We Do* (Penguin Books, 1995); Alfie Kohn, *Punished by Rewards* (Houghton Mifflin, 1993/1999); and Daniel Pink, *Drive* (Riverhead Books, 2009).

<sup>2</sup> Kenneth W. Thomas, *Intrinsic Motivation at Work: Building Energy and Commitment* (Berrett-Koehler Publishers, 2002).

<sup>3</sup> Frederick Herzberg, "One More Time: How Do You Motivate Employees?" in *Harvard Business Review*, September-October 1987 [Reprint 87507, first published in January-February 1968].

<sup>4</sup> Adam M. Grant, "Does Intrinsic Motivation Fuel the Prosocial Fire? Motivational Synergy in Predicting Persistence, Performance, and Productivity," *Journal of Applied Psychology*, 2008, Vol. 93, No. 1, 48-58.

<sup>5</sup> Robert K. Greenleaf, *Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness* (Paulist Press, 1977).

<sup>6</sup> Russell Eisenstat, Michael Beer, Nathaniel Foote, Tobias Fredberg, Flemming Norrgren, "The Uncompromising Leader," *Harvard Business Review*, July-August 2008.