

editor's note



HIP HOP, JAZZ, MODERN, TAP, BALLET—all told my daughter dances 12½ hours a week (and that doesn't even include competitions and performances). And now she was just cast into a community theater production of *A Chorus Line*, which means six-to-nine hours of rehearsals. Yet she still manages to keep her A average.

But what motivates her? If Daniel Pink, author of *Drive*, is right (and he's considered the leading expert on motivation so I have no reason to doubt him), it's her enthusiasm for dance and theater that motivates her to do her homework and keep her grades up.

According to Pink, if you have a task that involves some thought, then money is not a good motivator. Bonuses, the promise of raises, they don't actually increase performance (and in fact, may actually decrease performance). "This is one of the most robust findings in social science, and one of the most ignored," Pink states. "There's a mismatch between what science knows and what business does." But the fact that incentivizing doesn't work isn't just Pink's findings. It's the result of studies by the London School of Economics and the Federal Reserve Bank.

As an example, he gives the candle problem. A person is brought into a room and shown a table next to a wall. On the table is a candle, some matches, and a box of thumb tacks. The assignment is to attach the candle to the wall so that it can be lit but the candle won't drip on the table. Most of the time, the person first tries tacking the candle to the wall, or maybe lighting the candle, dripping some wax down the side and sticking the candle to the wall. Ultimately, they reach the correct solution: use the tack box as a shelf and tack it to the wall! And amazingly, offering a reward for finding the solution faster actually increases the average time it takes to find the solution.

"For candle problems of any kind, in any field, those if-then awards don't work," he concludes. As a study sponsored by the Federal

Reserve showed: "As long as the task involved only mechanical skill, bonuses worked as would be expected: the higher the pay, the better the performance. But once the task called for 'even rudimentary cognitive skill,' a larger reward 'led to poorer performance.'" Or as Bernd Irlenbusch of the London School of Economics states: "We find that financial incentives...can result in a negative impact on overall performance."

So what motivates people performing tasks that go beyond simple rote activity? Pink claims the solution revolves around three concepts: Autonomy (the urge to direct our own lives); mastery (the desire to get better and better at something that matters); and purpose (the yearning to do what we do in the service of something bigger than ourselves).

"Traditional notions of management work great if you want compliance. But if you want engagement, self-direction works better," Pink says. Yes, you need to pay adequate wages; but once you take basic pay off the table, autonomy, mastery, and purpose are the greatest motivators.

Want to learn more? Come watch my daughter—or visit Pink's website at www.danpink.com. Watch his TED talk (don't know about TED? It's a program that brings together the best speakers and best thinkers and lets them talk about anything; it costs a small fortune to attend in person, but all of the TED talks also are available free of charge online at www.ted.com). You'll think about a whole new way to manage and grow your business.

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