

## Money Doesn't Motivate

[By Gary Hinde](#)

The winter gloom has started. It's dark out earlier, the cold winds are hitting our faces and the holiday season is still five long weeks away. Drudging through in these "in between" months that seem to hit us 3 times a year, managers must look for ways to motivate their employees to be more productive. In addition, the wavering economy is forcing businesses to find ways to do more with less. **So, what will motivate your employees?**

Most managers would be quick to think that money is the answer to motivation, but money is not always motivating. You can give money and titles to people but that is only a band-aid solution for productivity and motivation. Everyone deserves to have a salary range that is appropriate to their job but money will not always motivate employees to improve their performance or productivity.

**Recognition might though.** The fact is that studies have shown a monetary reward does not always improve performance. Sometimes higher incentives can lead to lower performance. Employers should pay people enough to cover one's financial obligations, removing stress, allowing employees to focus on their work and fulfill their need to achieve success at work. The feeling of thriving at work, even simply the feeling of fulfillment with a job well done will be what it takes to motivate your staff. Motivation will come from your employees' knowing that they are fulfilling their purpose at work.

According to Daniel Pink, the author of *The Surprising Truth About What Motivates Us*, the three factors that lead to better performance and personal satisfaction are autonomy, mastery, and purpose. Autonomy is desire to be self directed. Traditional notions of management do the opposite of that. It works if you want compliance, but not if you want engagement. Mastery is the urge to improve skill sets. It is satisfying to get better at what you do. People want to have purpose also. Purpose is the reason for which we exist.

**Recognition will give your employees the feeling of purpose at work.** This is a simple way to encourage and motivate staff by letting them know that their work is of value. Everyone wants to be respected and appreciated for their contribution. Way too often the only feedback employees get is negative. It's much more effective to praise successes than it is to harp on failures and the beauty is this will cost your company nothing. Recognition enables motivation and brings with it other benefits besides increasing productivity. It also builds loyalty and reduces turnover because employees who feel valued don't want to look for jobs elsewhere. It also builds employees' self-esteem and self-confidence, which makes them feel good about themselves and more willing to tackle new challenges.

These ideas are important all year round, but especially so in the months when people have lower energy levels and feel worn down. It is important to highlight the positives, celebrate any wins and give recognition to help motivate your team to stay on track keeping end goals in sight.

To keep your stars, you need to give them challenging but not overwhelming work, reward them for work well done, show consequences for underperformance, provide work-life balance and maintain a strong corporate culture that caters to their needs.

The bottom line isn't always the bottom line; money is a scale that many achievers use to track their success, but it isn't everything. The more insight you can gather about your employees' motivation, the better able you are to structure reasons for them to stay with you through good times and bad.

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