Is Money an Effective Motivator at Work?

Motivation could be defined as ‘’that which gives impetus to our behavior by arousing, sustaining and directing it toward the attainment of set goals’’(Wortman and Loftus 353).In terms of productivity, it is ‘’concerned with helping people to focus their efforts in effectively discharging their duties in the workplace’’(Gellerman 3).But due to inherent complexities in human behavior and values, there is no simple nor single motivator or reward that is really quite effective in an organization, including money. Motivators, on the other hand, refer to rewards that move the worker to better achieve personal and organizational goals through better performance.

Abraham Maslow, in his hierarchy theory, posits ‘’that people are initially motivated by basic survival needs such as food and shelter. From there, safety and security tend to be the next major motivators, accompanied by self esteem and self actualization in which ego needs are satisfied through assimilation into social groupings’’ (Personnel 3411-3412). When we look at how this theory applies in modern society, we could see the reasons why motivators have evolved from the early industrial period to present day society. Due to assured levels of income and purchasing power which have generally risen above basic survival needs, workers today have more or less fulfilled most of their first and second hierarchy needs, in which money, on its own, no longer serves as an effective motivator(Creech 1998). Thus in order to satisfy their self actualization needs, ‘’employees tend to embrace more creative and mental tasks that are challenging and satisfying, instead of just plodding repeatedly on their jobs with pay as the only reason of motivation’’ (Personnel 3412).

Through the course of my research, various work motivation theories which leaned towards the function of reward were noted, including expectancy theory (rewards promote high values), behavior modification theory (rewards act as re-inforcers), social-cognitive theory (rewards as information cues) and the motivation-hygeine theory (motivators and dissatisfiers) (Wortman and Loftus 256).

Essentially, expectancy motivation theory states ’’that the force exerted towards a given act will be a product of the individual’s belief that he or she can perform at a certain level, the instrumentality of that level for attaining various outcomes and the value of those outcomes’’(qtd in Thomas 61).In order words, an individual’s expectancy of his ability to attain a directed goal or perform at a high level is subject to his perception of the degree of difficulty it would take to attain it. Therefore, dishing out money would not make a goal seem attainable and it wont motivate effort if the goal seem out of reach.

According to Herzberg’s Motivation-Hygiene theory, ’’people who are satisfied with their jobs were motivated by their need for self actualization, recognition and achievement, not just for the monetary rewards’’(Thomas 65). As it were, most employees are not against receiving more money on the job if the payback is not enormous in terms of time, effort, risk or foregone pleasures. But there is a limit to how far people are willing to go just to make more money without fulfilling their inner needs, especially if the extra pay comes in relatively small amounts. Motivating people with money would have to be very attractive in which lots of extra money is pumped in for a marginal increase in effort. But the problem is the high financial cost which makes it uneconomical for the management (Gellerman 10).

Conclusively, the value of money as an effective motivator will depend on an individual’s circumstances and expectations. These differ from individual to individual in terms of its percieved value. Money should be accompanied by other incentives like promotion and recognition and more responsibility with commensurate authority.

Works Cited

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