

# Introduction

01

Motivation is the difference between action and inaction. It is the difference between *thinking* about doing something and getting it done. It is the difference between average and excellent performance. Without motivation, there is nothing.

Demotivated employees are more likely to leave their current organization to find a more motivating job. Failures in employee retention are estimated by PricewaterhouseCoopers to cost the UK economy £42 billion annually. They estimated that every 1 per cent reduction in turnover would save the UK economy £8 billion (Thomas, 2010). Bond and Bunce (2001) found that a well-being intervention reduced sick days by 1.4 days per employee per year. Sick days are estimated to cost the UK another £16 billion annually (Personnel Today, 2015). Sometimes people get sick, but there is clear evidence (Consiglio *et al*, 2013; Schaufeli, Bakker and van Rhenen, 2009; van Rhenen *et al*, 2007; de Boer *et al*, 2002) that better working conditions and work engagement can reduce sickness absenteeism. Bond, Flaxman and Bunce (2008) reported £105,164 savings at a call centre from a well-being intervention reducing short-term absences with an average of five fewer days absent per employee over a 14-month period. Another study (Wall, Jackson and Davids, 1992) found that relatively minor improvements to human resource policy on an assembly line led to a productivity gain of US \$2,400 per week.

Fields such as management, human resources and psychology are not immune to trends and fads. Different theories of motivation rise and fall, while different techniques to motivate employees are constantly emerging. In each of the subsequent chapters we present practical tools and recommendations for improving motivation and hence productivity at work. And throughout we provide examples of actual people and companies to illustrate the concepts, successes and opportunities.

The usefulness of the trends varies. Some trends are little better than snake oil, a brief (but expensive) workshop with an impressive-sounding name. Often the previous methods or approaches are discarded for newer, slicker methods. In some cases, this means the lessons learned from previous methods are also discarded.

## The generational differences example

It is inevitable that each new generation differs from the previous one – new values, new motivation and reinvigorated ideas. Each generation has much more in common with people their own age than with their parents or grandparents. Correct? Actually, it's not. Much has been written on categorizing, classifying and constructing specific generations to compare their differences at work (described in Chapter 3). Myths about generational differences are an easy target, mostly because the scientific evidence lends little support to theories of generational differences. Yet it's a useful target for initiating the discussion about motivation and performance at work. It's one of the fads that at best is incorrect but at worst causes poor decision making in organizations based on incorrect assumptions.

There is something amiss with generational difference myths; there is an implicit agreement, rarely discussed, in any conversation about generational differences: we assume that generational differences exist. And they can in a historical sense. Of course the new millennium is profoundly different from the 1970s or 1870s. Labour laws 150 years ago, or even 50 years ago, have been largely moving towards being more favourable to workers. The nature of work and workplaces are always changing. We mention the historical changes, and then, in Chapter 12, describe in detail the shift to contracting and outsourcing work.

But what of the people in those time periods? How much can we infer about any individual based on their year of birth? The fact is, there are almost no valid psychological predictions we can make based on the year of birth. This may sound controversial. Everyone will be able to think of substantial differences between themselves and someone else who is significantly older or younger. Chapter 10 explains this through the motivational profiles of two individuals in similar careers from different generations.

We will be returning to the question of generational differences throughout our discussion of motivation, highlighted by some of the misconceptions that stem from theories about generational differences. The reason this is a useful discussion, more constructive than just examining motivation alone, is because many of the misconceptions and misinformation about generational differences highlight the greatest improvements that can still be made in the way we work and work to motivate. These improvements can also be made in areas such as in performance management systems (Chapters 5 and 6), work engagement and organizational culture (Chapter 8), compensation structures (Chapter 9) and succession planning (Chapter 10).

If you are looking to know ‘*are there generational differences?*’ you can get a quick answer by plugging that question into a search engine. You will almost certainly get millions of results arguing both sides. Most results miss the most important point.

The important question in the workplace – and in this book – is: *are there generational differences that have meaningful implications for managers, leaders, human resources, or anyone involved in motivation in the workplace?* The question can be extended to other differences such as gender or ethnicity (and the benefits of employment equity are discussed in Chapter 5). The short answer is no, there are no meaningful generational differences. Most generational differences are superficial or irrelevant to the workplace (we discuss this in more detail in Chapter 3). The differences that have the most profound implications for the workplace are the differences between people instead of the differences between groups. Of course people of different ages exist and, yes, people can have different experiences depending on when they were born and what is happening in the world at that time, but these factors have very limited effects on organizational concerns like motivation and performance.

Furthermore, when generational differences exist, there is often a secondary explanation. For example, in Chapter 9 we discuss findings about generational differences, and valuing pay. Surprisingly, younger workers value pay more than their colleagues in older generations. Yet when we considered income levels, the real conclusion was obvious. Income levels explain the differences in motivation. Younger people, it turns out, often tend to earn much less money. Those who do not earn enough (or in some cases too much) money value it more. We explain the reason behind this in Chapter 9.

Often, in everyday conversation and discourse, generational differences are discussed in the context of a particular case study or individual example. Stories should be used cautiously, and not to prove a particular point. If you catch yourself thinking, at any time, during this book ‘*Well, I know someone who...?*’, stop yourself. Individual stories are poor evidence (and we explain why in Chapter 5, along with when they are useful). Stories are good for illustrating facts, but should not be used as a supplement for strong evidence. Throughout this book we will present the evidence, along with practical steps to use the research in the workplace. The book concludes (Chapter 14) with three case studies that highlight best practice in relation to motivation and performance: two case studies of impressive success and one of extreme failure. To illustrate the importance of motivation, let’s first look at some of the more extreme examples of how systems can shape motivation.

## Two illustrative examples of motivation and performance

There are countless stories from the Soviet Union with centrally planned factories and specific targets, tied to five-year plans: for example, required to build a set number of tractors or airplanes. Even if apocryphal these stories are instructive. Ambitious plans were set out, with a specific output target for each factory. This is not unlike many performance management systems that set output targets. Some production targets in these Soviet factories may have been entirely unrealistic, but the consequences of failing to meet targets were extremely severe. Anyone who says punishment does not work has probably never been threatened with 20 years in Siberia. Of course, Soviet-style motivation, and severe consequences, have their own rather severe drawbacks. In *The Gulag Archipelago*, Aleksander Solzhenitsyn (2003) describes how terrified audiences would applaud for achingly long periods of time in tribute to their Comrade Stalin. The first person to cease clapping was likely to get shot. Heavy-handed approaches may superficially lead to the desired effect, but they come with severe consequences, which we discuss in detail in Chapter 6, along with discussing how to effectively work motivation into performance management frameworks.

In a system of centrally mandated tractor targets, for example, those in the factory would find creative ways to meet the targets, often undermining the actual purpose of the factory. Delegates, visitors and foreign dignitaries would be paraded around the factory, showing the hundreds of new, gleaming tractors. Just one problem. No engines. The tractors were little better than props to meet the targets.

Take a similar example from a multinational high-street coffee chain. With hundreds of thousands of staff in tens of thousands of locations, one would think they would be a model of best practice instead of a cautionary tale. But, such a large organization necessarily has various levels of management with reporting requirements and inspections. These include delegate inspections that are announced days or weeks ahead of time to the store-front location; everyone on site knows the drill. The shop is polished top to bottom, as are the staff. Stock is restocked and overstocked to give an impression of plentiful supply and customer demand. The best employees are put out front and told to be on their best behaviour. The local, regional or international delegates are paraded past smiling staff and gleaming counters to show how the store is a model of performance.

It is, of course, a farce. The shop is never that clean and the overstocked food will be thrown out at the end of the day. The staff are *not* happy about

their participation in this masquerade but they have no choice. It is not far from those shiny tractors without engines. Worse still, these kind of experiences can gut the engines of motivation from previously hard-working staff. Inspections can be either motivating or demotivating experiences, depending on how they are conducted. Chapter 6 uses this example in greater detail and includes a framework for getting the ‘inspection’ right. This raises the question beyond current profitability, or whether employees are sufficiently motivated to do their job. But *how could it be improved?*

Another important issue is exemplified by these retail inspections: even hugely successful companies that bring in billions still have room for improvement. Potential improvements can be incredibly simple changes while others are much more complex. For example, in Chapter 11 we talk to an ex-MI6 agent who was active through most of the Cold War to illustrate how much damage can be done by one disgruntled or demotivated person; Chapters 10 and 11 have examples from young people early in their careers; and Chapters 8 and 14 discuss a company that has moved to entirely flexible work schedules, including how people react when they never again have to go into the office or brave their commute.

Throughout many of the chapters we revisit the issues surrounding generational differences and give advice for multigenerational workforces. Generational differences are discussed in detail in Chapter 3, but will be an enduring theme throughout many of the chapters.

## Conclusion

The content in this book is intended to be interesting, engaging, motivating and in some places even amusing. Above all, it is written to be useful. If you are in the business of managing and motivating people, there will be many practical components you can use. Each chapter is written using scientific evidence and academic research, but will not require any specialized knowledge to read.

Alongside stories of success, failure, defection, whistle blowing, incompetence, wickedness, and problems currently in workplaces, this book has two consistent and positive messages:

- 1 People can get better:** individual performance can improve, and there are many ways to spark motivation and improve performance.
- 2 Work can get better:** despite substantial and continual improvements to workplaces, there are still opportunities to make work better, more effective, more productive, more profitable and better for those within them as well as for the company.

There are dramatic improvements that can still be made in workplaces to improve performance and productivity. Equally important is making workplaces a better place to work for the people inside the organization. Although tremendous progress has already been made in that area, there is still much that can be done. The evidence from research and practice clearly demonstrates how motivation links to performance in the workplace. Each chapter in this book highlights a different opportunity for improving motivation and performance – and that will benefit organizations and employees.

Importantly, this is not a trade-off between company success and employee well-being. The resounding evidence (see Chapter 8) is that happier, healthier people are more productive. Healthy workplaces produce better results. It should not be seen as a trade-off between what is best for the company or what is best for the employee. It is not about tricks: a manager and the HR team are not some sort of puppeteers, engineering a dystopian workplace where employees are tricked into working harder against their own interests or at the expense of their well-being. Getting the balance right improves the outcomes for everyone involved. There is a case to be made for the bottom line in combination with employee well-being.

Using case studies, practical examples, individual and company stories we will illustrate all the points made in order to provide a greater depth of information about how the theories, research and recommendations can be used successfully in any organization.

In Chapter 2 we present a model of workplace motivation and in Chapter 3 discuss the myths surrounding generational differences and their relationship to motivation and performance at work.

## Further resources

We would encourage you to go beyond the information in this book. We will be adding additional resources online, including short online tests to measure some of the topics under discussion. What motivates you? Which generational stereotype do you most resemble? What kind of culture does your organization have? Do you want more specific resources, such as a sample performance management framework using everything discussed in subsequent chapters? Go to [www.highpotentialpsych.co.uk/motivperformance](http://www.highpotentialpsych.co.uk/motivperformance).

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