Triple motivation: three keys to authentic success

What drives you to work hard every day: Money? Personal fulfillment? Or the chance to make the world a better place? For IESE's late dean Juan Antonio Perez Lopez, the authentic answer is all three.



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By Gabriel Ginebra

Juan Antonio Perez Lopez, dean of IESE from 1978 to 1984, died over 25 years ago but his ideas live on. In the 1980s, Perez Lopez highlighted the value of *purpose* — increasingly recognized as a factor that sets successful companies apart — to motivate employees. He called it *transcendent motivation*, and it complements economic factors (*extrinsic motivation*) and self-realization (*intrinsic motivation*) in creating wellbeing in the workforce.

Perez Lopez's motivational trio is sometimes viewed like Neapolitan ice cream: each motivation delineated in three neat layers. However, a better metaphor would be an ice cream swirl: all three inseparably mixed together. And where any one of the three is missing, people are likely to be less satisfied and less motivated in their work.

Let's look at how leaders in very different fields express these three motivations.

The value of money

There's an old joke that goes, "It's a bad job if you have to pay someone to do it." But the truth is, money is essential.

Cristobal Colon, the founder of La Fageda in Catalonia, Spain, is adamant on this point. La Fageda employs people with intellectual disabilities to produce premium yogurts. Just because it is a social enterprise does not mean it doesn't recognize the importance of honest, paid work.

"The people we employ had been disregarded as stupid or crazy; their self-esteem was at rock-bottom," Colon says. "They had to learn how to believe in themselves. And there was only one way: through real, paid work where they felt productive and were rewarded for their efforts."

Colon founded the food cooperative La Fageda, whose products compete on the same level as the world's leading brands, including Nestlé and Danone.

Earning a salary is motivational in a way that being the object of charity is not. But is there such a thing as being paid too much?

Marta Tejedor, Spain's first female soccer coach, believes there is. A former professional soccer player herself, she has coached the women's national teams of Chile and Peru and most recently managed Birmingham City of the Football Association Women's Super League.

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Soccer players are among the world's highest paid, yet, in her experience, they work less than gymnasts, swimmers or other professional athletes who train longer and harder, and almost always for less money. Those who earn the most are not necessarily the most motivated, she finds.

Fulfillment and ambition

This brings us to the second important element of motivation: a sense of personal progress, represented by growth in knowledge or ability. A task may start as a challenge but over time the employee develops mastery over the task. If there is no further challenge, boredom sets in.

In Tejedor's opinion, male soccer players from the big clubs are the first to demand less of themselves. They are paid obscene amounts of money and comparatively little is demanded of them in the larger context of the world of sport.

"We treat them like gods, so it's no wonder they're spoiled and complacent," Tejedor says.

She finds female soccer players who are paid less than their male counterparts to be more motivated and more likely to make sacrifices to improve.

Workplaces that are reasonably demanding of their employees provide opportunities to learn and grow, and they also report higher levels of satisfaction than those who don't develop their workers.

This is the key to *intrinsic motivation*: the idea that work and learning are rewards in themselves. Intrinsic motivation may come from liking the content of the work, from the human environment, from a feeling of importance, or from any other factor that makes the work itself interesting.

Employees are intrinsically motivated when they are challenged but not left to flounder. Tejedor rues that soccer players don't have enough of this pressure.

"They could be better," she says. "While we don't want them injured, they could definitely spend many more hours ironing out mistakes with videos and sports psychologists."

She finds it unacceptable that many big names can't control their tempers and end up with red cards, to the detriment of their teams.

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Spanish professional basketball coach Aito Garcia Reneses, better known as just Aito, is also in favor of “demanding a little more of the team than it can give.” He is the coach behind a dozen league titles and other triumphs, and he guided the Spanish national team to Silver at the 2008 Summer Olympics in Beijing.

Aito believes there’s a disconnect between what employees know and what is required of them. Think of an employee’s comfort zone as a circle, and then position what is required (which is subjective and defined by employees and their managers) just outside that circle, at the outer edges, in the learning zone.

When our jobs require *less* of us than our abilities, that subjective circle tends to contract. And when people don’t increase their competence over time, they tend to feel both pressured and dissatisfied.

Conversely, when managers demand *more* from employees than what they are currently doing, the circle widens.

Aito uses NBA player Pau Gasol as an example to young players of the importance of improving, highlighting that Gasol would train every day at 7 a.m. and then head to medical school as he was planning to be a doctor before his basketball career took off.

“It’s important to work technically, physically — and also to improve intellectually, though many players don’t value this.”

He also has advice for coaches. Many tall players are only taught to play close to the net, but a teenage Gasol learned to play anywhere on the court. Every improvement, even if not directly relevant to Gasol’s position, made him an overall better player.

Focusing on constant improvement is essential because not every day is a win. The important thing is “to achieve a goal every day and to improve every day. And if you can win, great.”

But what’s really key is for the team to believe in what they’re doing. “That’s what brings out their enthusiasm and dedication.”

The meaning of work

While being paid and being challenged are both necessary, neither is enough to bring true pride and satisfaction. The missing piece, as Perez Lopez always maintained, is *transcendent motivation*.

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This is the elusive idea of making a difference: the impulse to perform a task for the good it will provide to others.

How does your work benefit others, either individuals or society as a whole?

Transcendent motivation can exist in all sectors. A teacher or a writer seeks to be useful to others by sharing knowledge or inspiration. A doctor aims to save or improve lives.

For Tejedor, it was a father who told her how grateful he was that his daughter now had female soccer players as role models. “Inspiring people is much more important than winning trophies,” she says.

“For work to give meaning, it needs to *have* meaning,” says Colon, “and our workers’ lives have more meaning now. We’re going head-to-head with Nestlé and Danone, and I tell them we’re not pursuing growth for growth’s sake; we’re here to serve people or go home.”

Sweet success

Clearly, not one of the three motivational strategies is enough on its own. La Fageda can’t just rely on the feel-good factor; it also needs to motivate people with pay. Likewise, major sports teams can’t just win results by paying ever bigger salaries; they need to offer players bigger motivations and bigger personal challenges.

These three motivations aren’t rivals. They go together. If one is lacking, motivation is depleted. Collectively they contribute to a sense of meaning and worth.

And when we find that transcendent purpose, the money and fulfillment we find on an individual level make it all the sweeter.

Too much or never enough?

From unpaid interns to millionaire athletes and everyone in between, money is always an issue. Although there isn’t a causal relationship between salary and motivation, here are some things to keep in mind when setting salaries.

- **Too little money produces dissatisfaction.** However, after a certain comfort level is reached, more money produces neither greater wellbeing nor greater motivation.

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- **The motivational capacity of money marginally declines.** The more you have, the less you will be motivated by an offer of more.
- **It isn't quantity that motivates as much as movement.** Two raises of 2% cause greater satisfaction than one raise of 4%, and a salary that goes up slightly every year is more satisfactory than a high salary maintained over many years.
- **Although raises can motivate employees, they only do so for a certain time.** Everyone gets used to the money. In companies and sectors with higher salaries, salary-based motivation is no higher.
- **Salary losses and gains have different emotional effects.** A reduction, however small, causes more fear and anger than a raise causes joy.
- **Most employees believe they are underpaid, and few believe they are well paid.** We tend to compare ourselves with those earning more.
- **More money cannot compensate for missing intrinsic and transcendent motivation.** Conversely, people with emotionally rewarding jobs will sometimes tolerate lower salaries.

MORE INFO: Go to www.iesepublishing.com where you can find several case studies on La Fageda written by IESE professors Jose Antonio Segarra, Alberto Ribera and Yih-Teen Lee.

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