Dan Pink's Theory of Intrinsic Motivation—A Work of Fact or Dubious Fiction?

"Drive: The Surprising Truth About What Motivates Us" by Dan Pink is one of the best known books in high-technology circles (http://www.amazon.com/dp/1594488843). Dan has authored numerous other bestsellers, such as "A Whole New Mind" and "To Sell is Human." Dan Pink felt the time was right to make the case for the power of non-monetary rewards vs. classical "carrot-and-stick" monetary rewards. (See this example of Dan Pink's model, http://davidfrico.com/motivation-survey.doc).

Drive went "viral" with a YouTube video short enough for today's busy executive and has been viewed over 10 million times (http://www.youtube.com/watch?v=u6XAPnuFjJc). It is often used to justify every post-industrial era model or framework for building complex 21st century new products and services based on socio-psychological theories of human motivation (vs. the residual linear manufacturing or economic paradigms such as six sigma, lean, and kanban attributed to the early 20th century).

The field of motivation theory dates back nearly a century. Early research began in the 1920s with the Hawthorne studies. These sought to view humans as complex social creatures, rather than machines (as in the Scientific Management Era). The earliest formal publications on "motivation theory" appeared in the 1930s. (See http://davidfrico.com/motivation-justification.txt)

One of the best-known models was Maslow's "Hierarchy of Needs" (1943). Another early giant was Herzberg's "Motivation-Hygiene Theory" (1949). Many other variants of these basic models emerged over the ensuing decades. The latter became "Intrinsic-Extrinsic Theory" (1966). Thus began the 45 year debate on non-monetary (internal) vs. monetary (external) rewards.

Behavioral scientists tried to show that intrinsic rewards mattered more than extrinsic rewards. Maslow's intrinsic motivators were physiological, safety, belonging, self-esteem, and self-actualization. Herzberg's intrinsic motivators were achievement, recognition, the work itself, responsibility, advancement, and growth.

Numerous other models of intrinsic motivators emerged from 1970 to the present day upon which Dan Pink's ideas rest (i.e., needs, job characteristics, job satisfaction, work-family, exchange, equity, justice, expectancy, goal, etc.).

Business enterprises continued to cling to the extrinsic principles of Scientific Management rising from the Industrial Revolution. Businesses operate on the basic theory that salary, benefits, bonuses, raises, awards, stock options, retirement packages, life insurance, and other fiscal, financial, economic, and monetary incentives are the principal drivers of human motivation.

The world's first electronic computer emerged in 1945 and computer technology was used as a hammer or "one best solution" to solve all major problems of the day (i.e., military, aircraft, business data processing, high-finance, factory automation, and a variety of enterprise automation needs). 'Sound familiar? Doesn't this sound like Frederick Taylor's "one best way?"

The fields of project management, systems engineering, and software engineering emerged to help stabilize the uncertainty associated with complex new systems. They were based on yet another myriad or plethora of extrinsic motivators such as project plans, schedules, timelines, budgets, earned value, requirements, architectures, designs, tests, and other support disciplines.

Voluminous collections of extrinsic motivators amalgamated into blockbuster industry frameworks, models, and standards. Just some of these included PMBoK, SEBoK, SWEBoK, CMMI, ISO 9001, BABoK, CMBoK, and a veritable smorgasbord of quality management systems, maturity models, and international standards. Most were based on manufacturing theories directly related to Frederick Taylor's Principles of Scientific Management.

It was like the world existed as two parallel universes in diametric or polar opposition to one another. On one hand, socio-psychologists believed intrinsic, non-monetary, non-scientific principles were the primary drivers of human motivation. Yet, businesses, project managers, and systems engineers clung to the extrinsic motivators of scientific management principles.

A system is a triad of people, process, and technology, where people are the lion's share or more than 80% of the equation (according to the Pareto Principle). Later on, engineers recognized this and gave lip service to notion of intrinsic motivators (i.e., PMBoK and SEBoK). Others just ignored them all together (CMMI). However, intrinsic motivators were often relegated to a minor, inadequate, and inconsequential treatment of human resources (i.e., identify and fulfill skills to meet system requirements).

Human resources was only involved in hiring and firing people, but never in the middle motivating people to perform at higher levels with anything other than extrinsic rewards. That is, the larger body of research into the dimensions and variables of intrinsic motivation was often ignored (save an occasional picnic or holiday party where executives other privileged personnel on overhead could size up and show up front-line directly-billable workers who generated organizational revenue by their manual labor).

Lately, it has now become politically-correct to view an organization's employees as highly-sensitive, emotional, right-brained creatures. This was in opposition to the view of humans as non-emotional, left-brained automatons, computers, or machines.

Dan Pink's theory of motivation is based on the simple notion that people have the intrinsic or internal capability of unleashing the power to transform organizations, society, nations, and even the globe. That is, the human mind, human willpower, and creative or innovative side of humanity, is capable of producing products and services at previously unimaginable levels of productivity, cost, and quality performance. Early management scientists had little faith in the abilities of common workers and viewed them as necessary evils for moving materials from point A to point B (i.e., machines or even animals).

For example, when driven by intrinsic desire or self-interest, people will spend years and countless hours to develop new ideas, travel all over the world, communicate with thousands of people, learn new skills, master innovations, teach new ideas, and write numerous books and articles describing their activities. They'll spend thousands of hours doing their favorite activities without

compensation and give away their intellectual property valued in the millions of dollars for free. And they'll do this for nothing more than personal satisfaction. In other words, you can't pay some people enough to do what they'll otherwise enjoy doing for free.

That's all Dan Pink is saying, personal satisfaction causes some people to work like a small army for free, develop higher quality products and services than people get paid to do, work at a higher level of productivity, and feel like they're on top of the world.

Highly motivated employees render millions of dollars in free advertising revenues for their firms, which is like getting free Super Bowl advertisements for nothing. However, unless Dan Pink's principles of intrinsic motivation are institutionalized, firms rarely recognize these contributions and may even "punish" them (giving credence to the old adage, "no good deed goes unpunished").

However, an organization's employees, no matter how well compensated, reassured, trained, educated, or even threatened to satisfy an organization's goals and objectives, will often fail to produce anything at all. Even sophisticated management systems such as project management, systems engineering, or software engineering plans, requirements, schedules, deadlines, or other manufacturing process innovations do not seem to help. At today's rates, it doesn't take long before someone is paid a few million dollars over time with little return on investment. (Even formal multi-million dollar advertising campaigns seem to be ineffective.)

The flip side of what Dan Pink is saying is that "you can't pay a small army of people a million dollars" to do what a single highly-motivated individual can and will voluntarily do for free, especially when that individual has a strong sense of personal fulfillment.

Dan Pink's theory is the story of every entrepreneur who created an empire from the motivation deep within their hearts, not a business plan, project plan, system specification, or contract with strict legal stipulations for default (i.e., Gordon Moore, Andrew Grove, Seymour Cray, Gene Amdahl, Steve Jobs, Bill Gates, Larry Page, Sergey Brin, Jerry Yang, Dave Filo, Marc Andreesson, Albert Einstein, Thomas Edison, Kelly Johnson, Leonardo da Vinci, Louis Pasteur, Michelangelo, Galileo, Tim Berners Lee, etc.).

Dan Pink is merely asking us to capitalize on the knowledge that people are motivated to greatness from the desires buried down deep in their hearts (not the WBS, system specification, or statistical process control chart). Dan wants to show everyone to learn how to tap into that creative power and unlock the secrets to business success, no, world domination, no, world transformation.

Everyone is motivated by different things. Many people are motivated by being cogs in the corporate wheel (i.e., 9 to 5 job, coffee breaks, lunch hour, bi-weekly salary, annual 2.5% raises, t-shirts, etc.). Occasionally, someone gets a bug to do something really interesting (i.e., preach, teach, tutor, mentor, build custom cars, create handmade greeting cards, write children's books, etc.).

It's really a highly-creative stage of development that some people go through (while others live their lives in highly-regulated, rules-driven public or private organizations). Dan Pink's theory really describes people going through highly-creative phases, stages, or binges. Conversely, he's also saying that people going through highly-creative phases don't need a lot of rules (i.e., too many rules kill highly-creative work).

Dan Pink's theories also apply to large public sector projects involving a monolithic triad of government, industry, and academic armies. That is, "all the king's horses and all the king's men can't put humpty dumpty together again" (i.e., money can't buy creativity or success). It's also very important to realize that no two people are alike. So, don't get the idea that you can use Dan's theory to create your own "Clone Army" to conquer the universe (sorry Star Wars fans or should we say Darth Vader wannabes).

This has implications for acquisition policy (i.e., this is why 80% to 90% of acquisitions fail). The American taxpayer "Cannot Buy Success." This is why we pay $1.5 trillion for two fighter jets that haven't seen the light of day. So, from an acquisition standpoint, if you know from the start that you're not going to get a fighter jet on budget, or at any cost or performance objective, then it is not wise to invest large sums of money in highly-complex, high-cost, high-risk acquisitions. Excessive regulations don't work either.

Case Study

Let's give an example. Let's say you have six kids. I know some people with six or more kids. It's not that unusual. Let's say, you want them all to go to Harvard, so you can brag to your co-workers that your kids went to Harvard. Okay, sounds great! Well, it costs, I don't know around $200,000 for an undergraduate degree from Harvard. Don't forget you have six kids, so that's $1.2 million. Let's also say you're a government worker who makes $90,000 to $120,000 a year. First, you'll have to invest at least $25,000 per year for a good high school education. So, that's $100,000 per kid, for $600,000 in high school education. Then, remember less than 1% of all applicants get accepted into Harvard. However, if they do, also remember only about 20% or 30% graduate. Most wash out their first year. Don't forget, some of your kids will get married and not finish school or stay home with the kids and never enter the corporate work force. Also, remember that both you and your kids will have to work your butts off to graduate from the expensive high schools and Harvard as well. And, you'll have to mortgage your house to the hilt, borrow money from relatives and friends, and get bank loans that will triple your principal. All, in all, you'll need $1.8 million at a cost of $4.5 million or more, your kids will probably not get into Harvard, and only two out of six will graduate, if you're lucky enough to get all six into Harvard. Wouldn't it have been easier for them to go to a public high school, reasonably priced private school, and local university for $5,000 per year, which you could have paid out of pocket? Public sector investments are like this scenario. We think because taxpayers voluntarily give us billions of dollars in tax payments each year that we can invest in trillion dollar fighter jets that are not likely to succeed. The best thing is to cut taxes, not increase them, give some back to the tax payer, reduce the amount of acquisitions, and utilize smaller, lower-risk acquisitions that have a higher probability of success, because, as Dan Pink shows, "more money can't buy success." Back to the Harvard example, spending $100,000 per kid on the top private high school and $200,000 per kid to send them to Harvard for an undergraduate degree doesn't motivate them to work harder. In fact, setting those high expectations will have the opposite effect. It will de-motivate them. Think about it, every high priced athlete crashed and burned after getting big contracts, i.e., Jason Taylor, Albert Haynesworth, Deion Sanders, Donovan McNabb, etc. If Dan Pink is correct, high-priced athletes with record-setting contracts will crash and burn and never win another Super Bowl. Oftentimes, it is the unnoticed, highly-creative people who get teams to that stage, who should be the MVPs.