



# How Company Culture Shapes Employee Motivation

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**B**usiness leaders have come to realize a strong corporate culture is vital for long-term success; yet being able to create an optimal culture has repeatedly eluded many of them.

It's time for leaders to step up and get this right once and for all, as it could mean the difference between organizational success and dismal failure.

In *Primed to Perform: How to Build the Highest Performing Cultures Through the Science of Total Motivation*, authors Lindsay McGregor and Neel Doshi offer several tactics and an important insight to aid leaders in finally cracking the elusive formula for building a great culture - *why we work determines how well we work*.

## **Culture Drives Performance**

Academics have studied why people work for nearly a century, but a major breakthrough was made in the 1980s when professors Edward Deci and Richard Ryan from the University of Rochester discovered the six main reasons people work: Play, purpose, potential, emotional pressure, economic pressure, and inertia.

The first three motivational drivers are directly connected to our work itself and tend to increase performance, while the indirect (from the work itself) motivational drivers of the latter three tend to reduce performance.

1. **Play** – You're motivated by your work itself and work because you enjoy it. Play is our learning instinct and it's tied to curiosity, experimentation and exploring challenging problems.
2. **Purpose** – The direct outcome of your work fits your identity. You work because you value the work's impact.
3. **Potential** – The outcome of your work benefits your identity and enhances your potential.
4. **Emotional pressure** – You work because some external force threatens your identity. Fear, peer pressure and shame are all forms of emotional pressure. When you do something to avoid disappointing yourself or others you're acting on emotional pressure.

5. **Economic pressure** – An external force makes you work to gain a reward or avoid a punishment. Now the driver is not only separate from the work itself, it's also separate from your identity.
6. **Inertia** – This happens when the driver is so far removed from your work and your identity that you can't identify why you're working. It's still a driver because you're doing the activity but you can't necessarily explain why.

Indirect motivational drivers tend to reduce performance because you're no longer thinking about the work - you're thinking about the disappointment – or the reward – or why you're bothering to do the work at all. You're distracted, and you might not even care about the work or the quality of the outcome.

Not surprisingly, the authors found high-performing cultures inspired more play, purpose and potential; and less emotional pressure, economic pressure or inertia.

## Factors That Affect Culture

Culture is the result of a collective set of factors in an organization that affect employee motivation. In high-performing cultures, those factors maximize motivation and the authors suggest you keep the following in mind when working to build or reinforce an ideal culture.

- **There's no silver bullet.** Many factors affect employee motivation and you need to be mindful of them all. But make a special effort to design highly motivating jobs – encourage play by giving workers the opportunity, time and resources to develop and test new ideas as much as possible.
- **Protect your organization's brand promise.** Your organization's brand, mission and behavioral code are critical factors impacting culture and motivation. Ensure your corporate mission is clear to all, and help employees understand the purpose of their individual work and how it benefits both colleagues and customers.
- **Be sensitive to the promotion process.** Many leaders have concluded their employee performance review process (which usually drives promotions) may actually be detrimental to performance and foster unhealthy competition. When employees are stack-ranked or rated against each other, emotional and economic pressure is elevated, reducing motivation and performance.
- **Culture is an ecosystem.** All the elements of culture interact with and reinforce each other, often in unexpected or unintentional ways. Never underestimate the power of your influence as a leader or the consequences of your actions. Leaders' behaviors will make a greater impact on employees than what leaders say, so make certain your instructions and behaviors are congruent.

## What Leaders Can Do

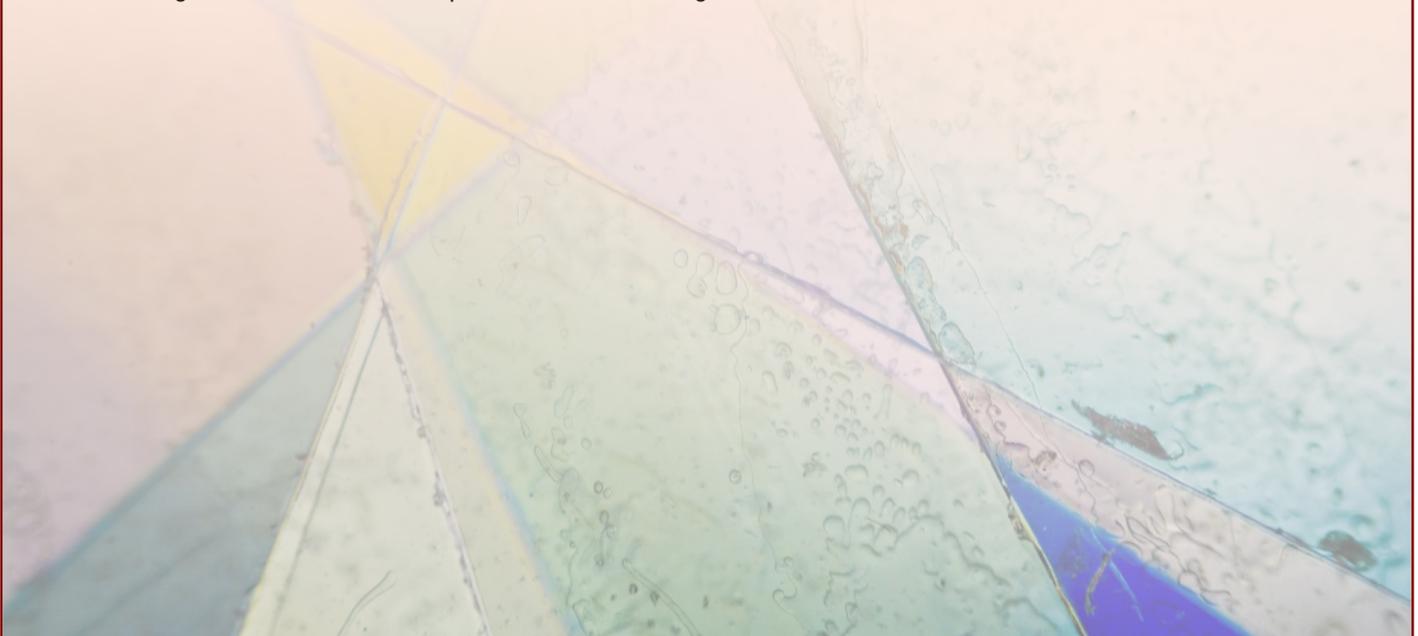
Culture is the operating system of an organization. Senior leaders can build and maintain high-performing cultures by teaching managers to lead in highly motivating ways. CEOs should repeatedly make the business case for nurturing their company's culture, support it with an adequate budget for culture-building initiatives, and enlist HR and other business leaders to improve the factors that affect the culture.

- **Hold a weekly reflective meeting with your team.** Have each employee answer three questions directed at encouraging and strengthening their direct motivators.
  - 1) Play: What did I learn this week?
  - 2) Purpose: What impact did I have this week?
  - 3) Potential: What do I want to learn next week?
- **Explain the why behind your team's work.** Avoid hurting your team's performance by motivating through emotional pressure. ("We have to do this because the boss asked for it.") Find ways to deepen employees' meaning in their work by explaining the bigger and broader implications of their efforts and why it's important to the company. (*"This initiative will help our customers in the following ways."*)
- **Consider how you've designed roles and development plans.** Does every employee have a space to play? Think about where teams should be free to experiment and make that clear. Ask if everyone has the opportunity to witness the impact of their work and proactively help them build a stronger purpose through better line-of-sight to results. Finally, find out how each employee would like to advance their career in the near-term and work with them to design a plan to help them reach their full potential.

A great culture isn't easy to build - that's why high performing cultures have such significant competitive advantages in the marketplace. Yet organizations that make the effort to build powerful cultures are able to successfully meet the demands of the fast-paced, customer-centric, digital world in which we live.

More and more leaders are beginning to realize that culture is critical and can't be left to chance. Make it a priority to help employees work more effectively and more meaningfully by better understanding *why they're doing the work they've been asked to do*.

*Named one of the most influential women in the incentive industry, Michelle M. Smith, CPIM, CRP, is an accomplished international author and speaker, past-president of the FORUM at Northwestern University, president emeritus of the Incentive Marketing Association, vice-president of research for the Business Marketing Association, and vice-president of marketing for O.C. Tanner.*



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A portrait of Michelle M. Smith, a woman with short, dark, curly hair, smiling. The image is overlaid with a semi-transparent blue filter.

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**N**amed as one of the Ten Best and Brightest Women in the incentive industry, a Change Maker, Top Idea Maven, and President's Award winner, Michelle has worked in every facet of recognition and incentives, both domestically and internationally.

A highly accomplished international speaker, strategist, and author on performance improvement; Michelle is a respected authority on leadership, workplace culture, employee engagement and talent. She's published and presented more than 1,000 articles and speeches and is a trusted advisor to many of the world's most successful organizations and the governments of the United Kingdom and the United States.

Michelle is President Emeritus of the Incentive Marketing Association and Past President of the FORUM for People Performance at Northwestern University. She's Vice President, Research for the Business Marketing Association and serves on the Boards of the Incentive Federation and the Incentive & Engagement Solution Providers Council. She was the Founder and Chair of the Editorial Board of *Return on Performance* Magazine and is on the Executive Panel of *McKinsey Quarterly*.

Michelle is also active in the C-Suite Network, the National Speakers Association, WorldAtWork, the CMO Council, the Marketing Leadership Roundtable, the HR Leadership Council, Recognition Professionals International, and the Society for Incentive Travel Excellence.

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