

# Why **extrinsic** or **intrinsic** motivation alone isn't enough to motivate your employees.



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As a leader in your organization, have you ever considered how to best motivate your employees? Of course you have! The question of how to motivate employees is a top priority of leaders and managers across nearly every organization.

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There are two primary types of motivation: **intrinsic** and **extrinsic**.

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**Intrinsic motivation** refers to a drive to engage in a task because of the enjoyment or interest in the task itself. Take the example of someone who likes to read novels in their spare time – they are likely engaging in that behavior simply because they like to, not necessarily because they get some reward for doing so or because they've been told to do it. This person reads novels primarily because they are intrinsically motivated to do so.

**Extrinsic motivation**, on the other hand, refers to motivation to engage in a task because engaging in that task increases one's chances of receiving a reward (or, in some circumstances, avoiding a punishment). For example, let's say someone's health insurance plan decreases by \$20 a month if they check-in at their gym at least eight times a month, and this person really wants to save that \$20. Their motivation for going to the gym and exercising is mostly extrinsic motivation since they are engaging in that behavior to receive some reward outside of the behavior itself, which in this case is \$20 off their health insurance costs.

We surveyed over a thousand U.S. employees of large organizations this past June to better understand their current work experience and what motivates them. We asked questions about some of the main elements of both intrinsic and extrinsic motivation:

- **Intrinsic motivation:**  
interest in job, enjoyment of tasks the job requires and mastery of skills
- **Extrinsic motivation:**  
recognition and compensation

Our research showed the importance of both types of motivation. Just one isn't enough for employees to work hard, be inspired and stick around for the long haul.

When an employee feels high levels of both intrinsic and extrinsic motivation, they are more likely to:

- ① Feel a healthy sense of challenge in their jobs
- ② Feel a sense of teamwork with their coworkers
- ③ Find meaning and purpose in their work
- ④ Avoid burnout and feel a sense of wellness in their jobs
- ⑤ Have a good relationship with their manager
- ⑥ Feel their organization and its leaders are transparent
- ⑦ Take initiative at work when situations call for it

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Additionally, when it comes to key outcomes from employee engagement, high levels of intrinsic and extrinsic motivation have a positive impact on:

- 1 How hard employees are working
- 2 How inspired employees feel at work
- 3 How committed employees are to their organization

Intrinsic and extrinsic motivation are not the same though and we do see differences in their effect on employees:



**commitment** and **employee retention**



**inspiration** and **employee engagement**



**extrinsic motivation** tends to be more important for **commitment and employee retention**, while **intrinsic motivation** tends to be more important for **inspiration and employee engagement**.

This makes sense intuitively – factors such as fair compensation and feeling valued are essential to keep good employees and to inspire employees, they need to be interested in and care about what they do.

To increase intrinsic motivation, much of what influences the employee experience is around finding the right people who have a good job fit with the position. We define job fit by a person's skills and interests matching those actions that come along with a particular role.

There is also much we can control after an employee is hired to cultivate intrinsic motivation. Have we communicated the meaning in their role in a manner that sparks interest? Are we providing employee training and learning opportunities for employees to further their abilities in skills that are important to them? Have we added [gamification](#) to those trainings to make them more interactive and enjoyable?

Extrinsic motivation at work comes down to two main factors: meaningful employee recognition and at least fair compensation. When employees do good work, does anyone notice? Do employees feel appreciated? Is their compensation, which encompasses both pay and benefits, enough for employees to justify the work they are doing?

While you find ways to foster motivation through the strategies above, keep in mind that both intrinsic and extrinsic motivation are key for your employees. When employees feel supported in both types, they will love the work they do **and** feel rewarded for that same work – and who wouldn't work hard in that situation?

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