Jena McGregor On Leadership: Motivated by charity

August 29, 2011

The Washington Post:

What would motivate you more: a bonus you could spend on yourself, or a bonus you had to spend on someone else? Most people, surely, would instinctively say the former. Why on Earth would I work smarter or better, or be more satisfied in my job, in exchange for something I had to turn around and give away?

But a paper by researchers from Harvard Business School, the University of British Columbia and the University of Liege finds otherwise. (Hat tip to behavioral economist Dan Ariely, who points on his blog to the not-yet-published paper, noting that "our intuitions are leading us down the wrong path when we assume that we will be happiest and most motivated when we earn money to spend on ourselves.")

The researchers set up two studies in which pro-social incentives — "a novel type of bonus spent on others rather than on themselves" — were given to employees. In the first study, which was set up to measure the effects of these incentives on job satisfaction, Australian bank employees were given vouchers worth \$25 or \$50 to give to a charity of their choice.

Read the whole story: *The Washington Post*