Conference Theme I:
Servant Leadership in Action
Topics for this workshop

- Theory X, Theory Y, and Servant Leadership
- From extrinsic to intrinsic motivation
- Meaning and motivation
- Persistence, performance, and productivity
Why does servant leadership work?

- There are the characteristics of servant-leaders
- There are the key practices of servant-leaders
- There are institutional principles that embody servant leadership
- Today we will talk about some *underlying factors* that help explain the effectiveness of servant leadership
- Those factors include a focus on growth, meaning, and intrinsic motivation
Performance and Productivity

Servant-leaders promote higher levels of performance and productivity by:

- moving beyond Theories X and Y to focus on growing people
- moving beyond extrinsic motivation to focus on prosocial and intrinsic motivation (the desire to serve; finding meaning and purpose)
Theory X, Theory Y, and Servant Leadership
Greenleaf and friends

- Greenleaf taught and consulted at a number of American universities
- He sought out many of the thinkers and doers of his time
- He was a friend of Peter Drucker, Douglas McGregor, and other leadership experts
Douglas McGregor
(1906-1964)

- Professor of Management at MIT
- Published *The Human Side of Enterprise* in 1960
- Coined “Theory X” and “Theory Y” regarding assumptions about people in the workplace
Douglas McGregor: Theory X

- Most people dislike work, and avoid it if they can.
- Because they don’t like work, most people must be coerced, controlled, or threatened with punishment to get them to work toward the achievement of organizational objectives.
- Most people want to be directed, and want to avoid responsibility. They have little ambition. They just want to be secure.
Douglas McGregor: Theory Y

- Work is as natural as play or rest.
- The threat of punishment is not the only way to get people to work.
- People will exercise self-direction and self-control in working toward organizational objectives when they are committed to them.
Douglas McGregor: Theory Y

- Commitment to objectives is a function of the rewards associated with their achievement.
- Most people learn not only to accept but to seek responsibility.
Theory Y

- A lot of people have the capacity to exercise a relatively high degree of imagination, ingenuity, and creativity in solving organizational problems.

- *But* under the conditions of modern industrial life, the intellectual potential of most people is only partially utilized.
Robert Greenleaf went further than Theory Y

- McGregor invited Greenleaf to teach at MIT
- Greenleaf asked: If people’s potential isn’t being used, let’s invite them to contribute, and help them grow so they can make their maximum contribution
- Greenleaf went further than Theory Y
- He said that an organization’s most fundamental business is growing people
The best test of a servant-leader

“Do those served grow as persons? Do they, while being served, become healthier, wiser, freer, more autonomous, more likely themselves to become servants?”
Growing people: A triple win

• When people grow, the capacity of the organization grows.
• When the capacity of the organization grows, it can do things better, or do things it was never able to do before.
• Individuals benefit, the organization benefits, and those served benefit.
Focus on growing

- The focus on growing people for their own sake, not just the sake of the organization, is a distinguishing characteristic of servant leadership.
- Growing people has practical importance, because personal growth is an intrinsic motivator.
From Extrinsic Motivation to Intrinsic Motivation
Extrinsic motivation

- What you *have* to do, not what you *want* to do
- The task is not seen as fun, interesting, fulfilling, or meaningful (it is mostly boring)
- Managers therefore offer incentives or threats of punishment to get the task done
- The carrot and the stick (for donkeys)
- If you do *this*, you will get *that*
Intrinsic motivation is different...

- Intrinsic motivation is about what you want to do, not what you have to do.
- People are intrinsically motivated when they do something because it is fun, interesting, fulfilling, meaningful.
- When you are intrinsically motivated, the work itself is your reward.
Group discussion

• Are you intrinsically or extrinsically motivated? Or both?
• What extrinsic rewards are most attractive to you?
• What intrinsic rewards are most attractive to you?
Extrinsic motivation

• Extrinsic motivation is deeply ingrained in our cultures and our organizations
• It affects how we raise children, teach students, and “manage” employees
• Many of today’s practices are based on the research done by B.F. Skinner on rats and pigeons (not humans) fifty years ago
B.F. Skinner (1904-1990)

- Skinner invented the operant conditioning chamber
- He believed that human free will is actually an illusion
- He said that if the consequences of an action are bad, there is a high chance the action will not be repeated; if the consequences are good, the actions that led to it will be reinforced.
Problems with Skinner

• Skinner assumed the brain is a “tabula rasa,” a blank slate; however, we know we are born with inherited characteristics

• Skinner thought that the concepts of a core spirit, soul, or personality should be abandoned

• Despite the fact that a majority of Americans value their spiritual life and/or identify with or practice a religious faith, Skinner’s ideas have taken over our secular culture
Operant conditioning depends on extrinsic motivators—rewards and punishments.

However, the effectiveness of extrinsic motivators is questionable.

There is decades of research chronicling the limitations, or negative impacts, of extrinsic motivation.
Alfie Kohn (1993)  
**Punished by Rewards**

- Reviewed hundreds of studies on the impact of extrinsic rewards/punishments
- Extrinsic rewards work best in the short term (but people always want more, and more)
- Extrinsic rewards devalue the work or activity (the work is not as important as the reward)
- Extrinsic rewards undermine performance (people just want the reward, will take shortcuts to get it)
Extrinsic rewards can kill intrinsic motivation (story of the old man and rude boys; Temasek Polytechnic student club)

Pay-for-performance and incentive systems often fail to increase performance and are sometimes counterproductive

Pay is not the most important motivator (usually #5 or #6 on a list of top ten) contrary to what managers think
Rewards are controlling, coercive behavior that can result in resentment, especially when withheld.

Rewards are used instead of learning why performance is poor or could be better (they hide the problems).

Rewards discourage risk-taking; people will do exactly what is needed to get the reward, manipulating numbers, pressuring others, etc.
When employees set goals, they set them at safe levels, lower than could be achieved.

Negative self-fulfilling prophecy: if people are managed through rewards and punishments, they come to see only the rewards and punishments.

Kohn’s conclusion: Extrinsic rewards do not result in people doing a better job.
Daniel Pink  
*Drive* (2009)

- Seven reasons carrots and sticks don’t work
  - They can extinguish intrinsic motivation (turns an activity into “work”)
  - They can diminish performance (focus is on the reward, not the work itself)
  - They can crush creativity (rewards narrow the focus, limit the depth, breadth of thinking)
  - They can crowd out good behavior (something done for its own sake)
Daniel Pink

Drive

• More reasons carrots and sticks (often) don’t work
• They encourage cheating, shortcuts, and unethical behavior (e.g. Sears sales quota, Wells Fargo)
• They can become addictive (people need larger and more frequent rewards)
• They can foster short-term thinking (they limit thinking to what’s immediately before us—just far enough to trigger the reward)
Extrinsic rewards can work when:

- The tasks are routine, not very interesting, and don’t demand much creative thinking
- The extrinsic reward is unexpected and offered only after the task is complete (not “if-then” but “now that”…)(a reward but not a motivator)
- The reward is non-tangible (e.g. feedback, useful information about performance)
Getting beyond extrinsic motivation

- Theory X leaders or managers rely heavily on extrinsic motivation, in an attempt to control or manipulate employees
- This may be a reason for poor performance and low employee engagement— a worldwide issue
- There are many benefits to expanding the focus beyond extrinsic motivation to intrinsic motivation
Intrinsic motivation at work

- Dr. Kenneth W. Thomas and his colleagues spent 16 years studying intrinsic motivation at work
- “When organizations wanted only compliance from workers, they bought it with money and other tangible benefits…
- “Workers now need to be more self-managing. Self-management, in turn, requires more initiative and commitment, which depend on deeper passions and satisfactions than extrinsic rewards can offer.”
Benefits of intrinsic motivation at work

“Studies show that the intrinsic rewards are consistently related to job satisfaction and to performance. These findings hold across types of organizations and for managers as well as workers.”

--Dr. Kenneth W. Thomas, Intrinsic Motivation at Work: Building Energy and Commitment
Benefits of intrinsic motivation at work

“Studies have also shown that the intrinsic rewards are related to innovativeness, commitment to the organization, and reduced stress.”

--Dr. Kenneth W. Thomas, *Intrinsic Motivation at Work: Building Energy and Commitment*
“The research is very clear. External motivation is more likely to create conditions of compliance or defiance; self-motivation produces far superior results. There’s even an added bonus. People who are self-motivated will keep working toward a result even if there’s no [extrinsic] reward…”
Intrinsic aspirations are good for mental health

- Edward L. Deci reported on a study comparing intrinsic and extrinsic aspirations
- The extrinsic aspirations were to be rich, famous, and physically attractive
- The intrinsic aspirations were to have meaningful relationships, grow as a person, and contribute to the community
Intrinsic aspirations are good for mental health

- The extrinsic aspirations were about what you have
- The intrinsic aspirations were about who you are
- Those with intrinsic aspirations were mentally healthier—had greater vitality, were more content, had greater self-esteem
Daniel Pink

Drive

- Pink identified three elements that define the “Type I” or intrinsically motivated person at work:
  - Autonomy
  - Mastery
  - Purpose
Daniel Pink  
*Drive* (2009)

- Type “I” behavior (intrinsically motivated):
  - Is made, not born (doesn’t depend on age, gender)
  - Outperforms extrinsic Type X behavior in the long run
  - Doesn’t disdain money or recognition
  - Is a renewable resource
  - Promotes greater physical and mental well-being
One of the most-read articles in the history of the *Harvard Business Review* was an article by Frederick Herzberg published in 1968 titled: “One More Time: How Do You Motivate Employees?”

Herzberg argued that some factors are “hygiene factors” and others are “intrinsic motivators”
Hygiene factors (extrinsic)

- Hygiene factors are company policy and administration; supervision; relationship with the supervisor; work conditions; salary; relationships with peers; personal life; relationships with subordinates; status; security

- These factors are the primary cause of extreme dissatisfaction on the job. Employers need to get these right so that employees will not be dissatisfied.
Intrinsic motivators

- Extreme satisfaction comes from intrinsic motivators: Achievement; recognition; the work itself; responsibility; advancement; growth.
- The hygiene factors and intrinsic motivators are *not* the opposite of each other; they represent different needs.
- More and better hygiene factors will not produce extreme satisfaction—only intrinsic motivators will do that.
Access to intrinsic rewards

- Servant-leaders understand Herzberg’s basic conclusions
- Servant-leaders don’t ignore extrinsic rewards, but they focus more on intrinsic rewards at work
Meaning Is an Intrinsic Motivator
In his research, Dr. Kenneth W. Thomas and his colleagues identified four intrinsic rewards at work:

- a sense of meaning
- a sense of choice
- a sense of competence
- a sense of accomplishment
Greenleaf’s intrinsic motivators

Greenleaf focused on:

- Helping people grow, which can result in a sense of competence and accomplishment
- The meaningfulness of the work itself
Greenleaf focused on meaningful work

Greenleaf’s business ethic was: “the work exists for the person as much as the person exists for the work. Put another way, the business exists as much to provide meaningful work to the person as it exists to provide a product or service to the customer.”
“A sense of meaningfulness is the opportunity you feel to pursue a worthy task purpose… that you are on a valuable mission, that your purpose matters in the larger scheme of things.”

--Dr. Kenneth W. Thomas, Intrinsic Motivation at Work: Building Energy and Commitment
Meaning and health

• Research has shown that having purpose and meaning in life:
  • increases overall well-being and life satisfaction
  • improves mental and physical health
  • enhances resiliency
  • enhances self-esteem
  • decreases the chances of depression
Unfortunately...

- According to the Center for Disease Control, about 4 out of 10 Americans have not discovered a satisfying life purpose.
- Forty percent either do not think their lives have a clear sense of purpose or are neutral about whether their lives have purpose.
- Nearly a quarter of Americans do not have a strong sense of what makes their lives meaningful.
Servant-leaders find meaning

• Servant leadership is not about self-sacrifice or self-denial—it is about *self-fulfillment*.
• Servant leaders find deep meaning in helping their colleagues, customers, and communities.
• That meaning is a strong intrinsic motivator that sustains them as they continue to serve.
Servant-leaders help others find meaning

- Servant-leaders are meaning-makers, helping their colleagues to understand the meaning of the organization’s work.
- They help their colleagues to understand the meaning of their specific roles at work.
- They redesign work where possible to make it more meaningful.
Persistence, Performance, and Productivity
Persistence, performance and productivity

- Common sense tells us that:
  - If you have the desire to serve, and
  - If you find meaning in your work so you are intrinsically motivated…
  - Then you will be able to do more, and do it better, for longer (helping more people, improving or saving more lives)
Dr. Adam Grant

- Dr. Adam Grant is a professor at the Wharton School, University of Pennsylvania
- He is the author of *Give and Take*, *Originals*, and extensive research he has published in peer-reviewed journals
Prosocial and intrinsic motivation

• Dr. Grant conducted a research project for which he separated prosocial motivation and intrinsic motivation to study their effects (if any) on each other.

• Prosocial motivation is the desire to benefit or help others—to serve a greater purpose.
Dr. Grant studied workers at a telephone call center and employees at a fire department. He focused on the issues of persistence, performance, and productivity.
Prosocial and intrinsic motivation

Prof. Grant concluded: “employees display higher levels of persistence, performance, and productivity when they experience prosocial and intrinsic motivations in tandem.”
The Servant Leadership Formula for Success

Prosocial motivation
(the desire to serve, to benefit or help others, to serve a greater purpose)

+ 

Intrinsic motivation
(personal growth, meaningful work)

Higher levels of persistence, performance and productivity
The servant-leader advantage

- Servant-leaders enjoy prosocial and intrinsic motivation
- That motivation supports high levels of persistence, productivity, and performance
- That’s the servant-leader advantage
Sharing the advantage

- Servant-leaders help others to enjoy prosocial and intrinsic motivation
- That lifts their levels of persistence, performance, and productivity
- They perform at a higher level, and their organizations perform at a higher level, better serving customers and society at large
In conclusion...

- Servant leadership works for many reasons—the characteristics of servant-leaders, their key practices, and institutional principles that embody servant leadership.
- There are also some *underlying factors* that help explain the effectiveness of servant leadership.
- Those factors include a focus on growth, meaning, and motivation—prosocial and intrinsic.
Comments or questions…
Thank you!