

Is money really the greatest motivator?

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Money talks and it talks loud and clear. Because of this money can never be overlooked as a motivator and in fact, it is sometimes regarded as the greatest performance motivator out there. Classical management thought leaders like Taylor placed money on the high scale of motivators. Taylor in his scientific theory of management believed that the worker is somewhat stupid, lazy and directionless person who would do anything to get paid. His theory dubbed “the money as a motivator theory” attempted to find the most efficient way of performing any job. He proffered that there were universal laws which enforced efficiency and argued that they were independent of human judgment.

Here is an unpopular opinion, people generally believe they are worth more than they really are. Taylor realised this and put down the notion of paying workers according to the number of items they produce in a certain period of time and thus placed an objective measure of an employee’s true worth. This would obviously encourage the workers to produce more in order to earn more. This is why Taylor has been praised by management consultants throughout time as the first and debatably most influential management consultant of all time. His theory makes sense. Look at it this way, why do employees go to work if not to earn money? This stresses Taylor’s argument that workers are motivated by money and money alone.

This theory, however, was a bit basic and simple as it did not consider the other needs of the employee. These needs were best explained by Maslow’s hierarchy of needs which was put forward in his 1943 paper "A Theory of Human Motivation". This puts into the equation of motivation the physiological needs, safety needs, love needs, esteem needs, and self-actualization. In this hierarchy money found itself at the bottom of the pile. This begs the question which theory is correct?

The simplest definition of motivation is “it is the inner desire to satisfy a need” But which need has top priority? In order to achieve organisational goals managers must create an environment that motivates the employee. An unsatisfied need results in behaviour that seeks to satisfy this need and this has consequences on whether or not these goals are reached.

If employees are not paid enough then they will not be motivated to perform and their main focus will be on how to get more money. But once they start getting paid enough then money ceases to be a motivator. As Arnold Schwarzenegger once stated: “Money doesn’t make you happy. I now have \$50 million but I was just as happy when I had \$48 million.” So there must be a limit to when money stops acting as a motivator. If money works and is such a great motivator, then maybe the base salaries are too low. Food for thought.

Where do you stand in the “is money a motivator argument”?

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