

**No More Polarization, Please!  
Towards a More Nuanced  
Perspective on Motivation in  
Organizations**

**Mia Reinholt  
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**Center for Strategic Management and Globalization  
Copenhagen Business School  
Porcelænshaven 24  
2000 Frederiksberg  
Denmark  
[www.cbs.dk/smg](http://www.cbs.dk/smg)**

# **No More Polarization, Please!**

## **Towards a More Nuanced Perspective on Motivation in Organizations**

Mia Reinholt  
Center for Strategic Management and Globalization  
Copenhagen Business School  
Porcelaenshaven 24, 2<sup>nd</sup> floor, DK-2000 Frederiksberg, Denmark  
mr.smg@cbs.dk

### **Abstract**

The organizational science literature on motivation has for long been polarized into two main positions; the organizational economic position focusing on extrinsic motivation and the organizational behavior position emphasizing intrinsic motivation. With the rise of the knowledge economy and the increasing levels of complexities it entails, such polarization is not fruitful in the attempt to explain motivation of organizational members. This paper claims that a more nuanced perspective on motivation, acknowledging the co-existence of intrinsic and extrinsic motivation, the possible interaction between the two as well as different types of motivations filling in the gap between the two polar types, is urgently needed in the organizational science literature. By drawing on the research on intrinsic and extrinsic motivation conducted in social psychology and combining this with contributions from organizational science, economics, and sociology, this paper attempts to develop an emergent understanding of motivation, which is more faceted than the one dominating organizational science currently. Based on these discussions, eleven implications for future research on motivation in organizations are proposed.

### **Key words**

Work motivation, intrinsic motivation, extrinsic motivation, motivation systems, and the knowledge economy

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### **JEL Codes**

M12, M52, M54

## 1 Introduction

The need to explore human motivation and encourage debates about its nature has once again emerged in the field of organizational science (Ambrose & Kulik 1999; Osterloh & Frey 2000; Ellemers, De Gilder & Haslam 2004; Locke & Latham 2004). An important reason arguably is the emergence of what is often called the "knowledge economy," the attendant emerging consensus that knowledge is the key source of an organization's competitive advantage (Osterloh & Frey 2000; Foss 2005), and that this introduces particular challenges related to providing motivation in knowledge-based firms (Osterloh & Frey 2000). This demands not only an increasing focus on human motivation, but also that the hitherto polarized discussion give way to a more nuanced recognition of its complexity. Two polar perspectives on motivation are predominant in the organizational science literature: the pure organizational economic approach with its focus on extrinsic motivation (Jensen & Meckling 1976; Holmström 1979; Hendrikse 2003) and the pure organizational behavior approach emphasizing intrinsic motivation (Hertzberg 1968; McGregor 1960; Hackman, Oldham & Janson 1975; Pfeffer, 2005).

This paper deals with four challenges, which need to be considered in order to remedy this polarization. First, we need to acknowledge the importance of both intrinsic and extrinsic motivation in organizations. Second, the positive and negative interaction, which can take place between the two poles, should be included in organizational theories. Third, the acknowledgement of both intrinsic and extrinsic motivation still leads the debate in a dichotomous direction and fails to understand the full complexity of human motivation. Thus, considering how to fill in the gap between the two extremes is pivotal. Fourth, there is a need for building a coherent theoretical framework on motivation in organizations combining extant theories on motivation from different research fields.

These challenges can be dealt with appropriately if attention is directed towards research on intrinsic and extrinsic motivation in social psychology. Not only has this field acknowledged the distinction between intrinsic and extrinsic motivation, the interplay between the two has also been a heated topic since the end of the 60s (e.g. DeCharms 1968; Deci 1971; Lepper, Greene & Nisbett 1973; Calder & Staw 1975; Scott 1975; Kohn 1999; Cameron & Pierce 2002). Strikingly, this latter aspect is hardly considered within organizational science. Only recently has this interplay received some attention (Frey 1997; Osterloh & Frey 2000; Bénabou & Tirole 2003; Kehr 2004). Another aspect of research on intrinsic and extrinsic motivation, which can address the above, is the recent focus on different degrees of extrinsic motivation, varying in level of internalization (Vallerand & Bissonnette 1992; Ryan 1995; Deci & Ryan 2000; Gagné & Deci 2005). These give a much more nuanced perspective on extrinsic motivation and potentially on intrinsic motivation, which have not yet been adopted in debates on motivation within organizational science.

On the basis of the research in social psychology, this paper proposes a way to dissolve the polarization of the motivation debate within organizational theory. The purpose is not merely to review this literature, but also to discuss different contributions from sociology, economics, and organizational behavior in order to show how these can complement each other in creating a more nuanced and coherent understanding of motivation. From these discussions, this paper provides eleven suggestions for how research on motivation within organizational science can be advanced. Finally, a continuum of motivation types and a model of the individual motivation process are suggested.

## 2 The Two Poles: Intrinsic and Extrinsic Motivation

Much importance has been placed on intrinsic motivation in social psychology, because it is perceived as a type of motivation leading to highly valued outcomes such as creativity, quality, spontaneity, and vitality (DeCharms 1968; Kruglanski, Friedman & Zeevi 1971; Deci 1978). Edward Deci has in particular stressed the importance of intrinsic motivation as it is associated with human well-being through the satisfaction of three universal psychological needs; autonomy, competence, and social relatedness (Deci & Ryan 2000; Gagné & Deci 2005). Within this stream of research, intrinsically motivated behavior is perceived as behavior freely engaged in, which the individual finds interesting and derives spontaneous satisfaction and enjoyment from (Deci 1971; Lepper et al. 1973; Gagné & Deci 2005). This type of motivation has recently been labeled “enjoyment-based intrinsic motivation” (Lindenberg 2001).

In contrast, extrinsic motivation is most often associated with the engagement in activities because they lead to desirable consequences separate from the activity such as tangible rewards. Hence, the behavior is a means to an end and not involved in for its own sake (Deci 1972; Lepper et al. 1973; Skinner 1974; Bandura 1977; Flora 1990; Cameron & Pierce 1994; Gagné & Deci 2005).

Whereas intrinsic motivation is often associated with the involvement in complex tasks, extrinsic motivation is claimed to be important in relation to unattractive and simple tasks (Osterloh & Frey 2000; Gagné & Deci 2005). Hence, both types of motivation are indeed required in organizations.

**Research implication 1:** *Theories on work motivation should include both intrinsic and extrinsic motivation.*

### 2.1 Interaction between Intrinsic and Extrinsic Motivation

A considerable amount of literature within social psychology show that extrinsic and intrinsic motivation are not merely additives, but that the two types of motivation can interact. In fact, much evidence illustrate that extrinsic rewards can have substantial negative effects on intrinsic motivation (DeCharms 1968; Deci 1971; Lepper et al. 1973; Harackiewicz, Manderlink & Sansone 1984; Rummel & Feinberg 1988; Wiersma 1992; Tang & Hall 1995; Deci, Ryan & Koestner 1999; Kohn 1999; Cameron & Pierce 2002). However, whether this undermining effect is likely to occur depends on the type of reward in question. The literature in particular distinguishes between five types of extrinsic rewards; verbal, unexpected tangible, expected and tangible task-non-contingent, expected and tangible task-contingent, and expected and tangible performance-contingent.

In general *verbal rewards* such as positive feedback and praise are expected to enhance intrinsic motivation. In contrast, two types of rewards, namely *unexpected tangible rewards*<sup>1</sup> and *expected and tangible task-non-contingent rewards*<sup>2</sup> are predicted to have no effect on intrinsic motivation, whereas *expected and tangible task-contingent rewards*<sup>3</sup> are shown to

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<sup>1</sup> This type of reward is delivered without any promise beforehand (Cameron & Pierce 2002).

<sup>2</sup> This type of reward is comparable to hourly payments or monthly salaries in organizations (Ryan, Mims & Koestner 1983)

<sup>3</sup> This type of reward is offered for completing an activity, however, without considering the quality of performance. It is comparable to piece-rate payment systems in organizations (Ryan et al. 1983).

have a significant negative impact. Research on the effect of *expected and tangible performance-contingent rewards*<sup>4</sup> reports rather mixed results. While one stream of research at an overall level concludes that this type of reward is the most detrimental one (Rummel & Feinberg 1988; Kohn 1999; Deci et al. 1999), other scholars claim that performance-contingent rewards are most likely to have a positive effect (Cameron & Pierce 1994; Pierce, Cameron, Banko & So 2003).

**Research implication 2:** *The positive and negative interaction, which can take place between intrinsic and extrinsic motivation should be included in theories on work motivation.*

**Research implication 3:** *Rather than focusing on extrinsic motivation as either good or bad at all times, organizational research should investigate the effect of different types of rewards as well as under which conditions different types of reward systems have positive and negative effects.*

## **2.2 Understanding the Negative Effect**

One of the most common explanations for the negative effect of rewards is that rewards, which are perceived as controlling, prompt a change in perceived locus of causality from the internal to the external and diminish the feeling of self-determination. Thereby intrinsic motivation is harmed. Conversely, rewards which support the feeling of being competent and self-determined tend to enhance intrinsic motivation (DeCharms 1968; Lepper & Greene 1978; Deci et al. 1999). As such it is argued that rewards can have two opposing effects, which might be the explanation for the mixed results regarding performance-contingent rewards.

While most economists seem to disagree with or ignore the negative effect, rewards can have on motivation and performance; a few economists seek to embrace it. Frey (1997) argues that the amount of an individual's intrinsic motivation might be altered by an external intervention and that this change is due to a change in the individual's preference (Frey 1997; Frey & Jegen 2001). That is, initially the individual engages in the activity because it is found to be inherently interesting. However, the introduction of a controlling extrinsic reward changes the preference for doing the activity so that the preference subsequently is the reward rather than interest. In this situation, intrinsic motivation is said to be "crowded-out" by the extrinsic reward. Bénabou and Tirole (2003), on the other hand, focus on the information, the use of rewards can signal. The principal's offer of a reward might signal that he does not trust the agent and does not believe in the agent's ability and intrinsic motivation. Additionally, it can signal that the task is unattractive. Therefore, the offer of high-powered incentives is likely to have a negative effect on the agent's self-confidence and thereby intrinsic motivation.

### **2.2.1 Extending the Explanations: The Consideration of Goals and Cognitive Frames**

The ideas of information signaling and motivation crowding-out as explanations for the negative effect of extrinsic rewards can be further elaborated on by linking it to framing theory. Depending on the individual's foreground and background goals as well as the cognitive frame triggered in a specific context, the agent will process information differently (Lindenberg 2001). If the foreground goal of the agent is to earn as much money as possible

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<sup>4</sup> This type of reward is tied to a specified level of performance. It is equivalent to certain types of bonuses and incentives in organizations (Ryan et al. 1983).

and the background goal is enjoyment<sup>5</sup>, a gain frame is triggered. If enjoyment is compatible with the main goal, the introduction of a reward will be less likely to have a negative impact on intrinsic motivation. The possibility to receive a reward will in fact be seen as something positive as it can help the agent achieve his goal of making money while having fun in the process.

In connection to Bénabou and Tirole's model, it can be argued that the information signaled by the offer of a reward will not be perceived as negative, because the agent's gain frame will direct his attention towards those informational aspects of the activity, which have to do with making money and secondary to having fun (Lindenberg 2001). In regards to the motivation crowding theory by Frey, the reward is not likely to be perceived as controlling or as decreasing the agent's self-determination as it does not lead to a change in frame and hence does not lead to a change in preference. In line with this, Deci and Ryan (2000: 245) argue that autonomous reasons for pursuing the goal to make more money are not related to decreases in intrinsic motivation: "Analyses indicated that autonomous reasons for pursuing wealth were positively related to self-actualization and that controlled reasons for pursuing wealth were negatively related to self-actualization...".

However, if the agent's main goal is to have fun or act appropriately, a hedonic or normative frame is triggered (Lindenberg 2001). In case the introduction of a reward is strong enough to win over the goal to have fun or act appropriately, it will arguably have a far more devastating effect on the agent's intrinsic motivation.

**Research implication 4:** *The understanding of cognitive frames and their interaction with motivation should be enhanced in organizational science. In this context, it should be further investigated how cognitive frames impact an agent's reaction to rewards in order to clarify the antecedents of positive and negative effects.*

### **3 Intrinsic and Extrinsic Motivation Revised: More Intertwined and Less Polarized**

While the interaction between the two extreme types of motivation indeed enhances the understanding of the complex nature of motivation, it is also increasingly acknowledged that filling in the gap between the two extremes is needed (Vallerand & Bissonnette 1992; Ryan 1995; Hayamizu 1997; Deci & Ryan 2000; Lindenberg 2001; Gagné & Deci 2005). Rather than treating only one type of intrinsic and extrinsic motivation, different kinds and degrees of the two can be proposed.

Enjoyment-based intrinsic motivation has been supplemented with the notion of obligation-based intrinsic motivation by Siegwart Lindenberg (2001; 2005). It concerns behaviors based on the feeling that one must behave in accordance with certain rules, norms, and principles without pursuing external rewards. It is thus explained by the wish to act appropriately in certain contexts and is developed through socialization.

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<sup>5</sup> According to Lindenberg (2001), there are a number of goals, which can be active in any given situation. These goals compete for the privilege to be on center stage. The goal that wins is the foreground goal, which strongly influences the cognitive frame triggered. The background goal, on the other hand, affects the degree to which the foreground goal reaches its full potential, e.g. how much money one is striving for if making money is the foreground goal. For a more thorough account of Framing Theory in regards to motivation see Lindenberg (2001; 2005).

Another understanding of intrinsic motivation; self-reinforcement, is suggested by Albert Bandura (1977). It concerns self-selected standards of behavior as well as self-evaluative processes and how these regulate and reinforce behavior. Bandura emphasizes that it is the accomplishment of a performance and not the performance itself that is a source of self-satisfaction and intrinsic reinforcement. Rather than looking at the spontaneity of behavior, Bandura claims that behaviors are always reactions to something, namely own behavior as well as others' reaction to conducted behavior.

Different types of extrinsic motivation are proposed by Deci and Ryan (2000: 236). They offer a framework distinguishing between four types of extrinsic motivation, representing different degrees of internalization and self-determination. *External regulation* is the classic case of extrinsic motivation. *Introjection* occurs when an individual takes in an external regulation, but does not accept it as one's own. This kind of regulation comes from within the person, but is relatively externally controlled. *Identification* refers to an individual identifying with the value of a behavior. Thus, the individual feels that the cause of behavior comes from within. *Integration* is the highest level of internalized extrinsic motivation. In addition to identifying with the value of the behavior, it has been fully integrated with other aspects of the self. Hence, the individual has a full sense that the behavior is part of who he is. However, it distinguishes from intrinsic motivation, as the individual is not engaged in the activity out of interest, but because it is important to personal goals. Whereas external regulation and introjection are perceived as external forms of regulation, identification, integration, and intrinsic motivation are perceived as internal forms of regulation.

In the light of this, it can be argued that obligation-based intrinsic motivation and self-reinforcement rather are well-internalized forms of extrinsic motivation close to either identification or integration or perhaps moderated forms of intrinsic motivation. Both types of motivation reflect importance rather than interest<sup>6</sup>. In particular obligation-based intrinsic motivation involves the wish to act in accordance with rules, norms and principles, so that one's actions will be appropriate in the social context. Obviously, norms and rules are imposed on the individual from the outside, meaning that to some extent social control is involved, which further indicates it is a type of extrinsic motivation. Self-reinforcement is a more self-sustained type of motivation as the individual attempts to work in accordance with own standards of behavior and not per se standards developed in the social context. However, the individual's behavioral standards are heavily influenced by the external environment and therefore it is not an extreme form of intrinsic motivation.

[Table 1]

**Research implication 5:** *Organizational theories posing different types of intrinsic and extrinsic motivation should be developed. This involves discussions on the characteristics of each of the different types as well as how they vary in degree of being intrinsic and extrinsic.*

### 3.1 Not Always Good nor Always Bad

Other factors make the distinction between intrinsic and extrinsic motivation less clear-cut. As became evident in the definition of extrinsic motivation, this type of motivation is in general defined as the engagement in activities because they lead to desirable consequences or outcomes. This type of motivation is traditionally the only one treated in economics. It

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<sup>6</sup> It can be argued that an activity, which is personally important and not per se seen as interesting, also is intrinsically motivated as long as it is the individual, who defines the activity as important.



emphasizes the individual's rationality in making choices, leading the individual to choose the alternative yielding most utility. That is, the individual is utility-maximizing and in some economic formulations this includes the willingness to act opportunistically (Williamson 1996).

Within organizational behavior and some streams of psychology, intrinsically motivated behavior is entirely associated with positive outcomes (Deci 1975; Ghoshal & Moran 1996; Kohn 1999). However, in some situations, intrinsically motivated behavior can also be understood as self-interest seeking and even opportunistic if the agent is preoccupied with performing tasks of own interest at the expense of tasks, which are important to the achievement of organizational goals. In the light of this, the well-internalized types of extrinsic motivation or the more moderated intrinsic motivations based on norms and socialization might be more desirable than enjoyment-based intrinsic motivation in terms of promoting effective and orchestrated performance in organizations. Lindenberg has touched upon this and states that:

“Within organizations and work contexts it would be undesirable to have people in a (weak or strong) hedonic frame because that would lead to cumulative incompatibility with the less enjoyable aspects of the task [...]. For the context of work, obligation-based intrinsic motivation is more important than enjoyment-based intrinsic motivation” Lindenberg (2001: 337).

**Research implication 6:** *More research attention within organizational science should be directed to well-internalized extrinsic motivation and moderated intrinsic motivation as these are more likely to lead to orchestrated and less opportunistic behavior in organizations.*

This is not implying that extreme types of intrinsic and extrinsic motivation are not important. Enjoyment-based intrinsic motivation is vital for facilitating creative behaviors such as knowledge generation and sharing (Osterloh & Frey 2000). However, as only the right kind of intrinsic motivation supporting the organization's goals should be promoted, external interventions, like rewards and regulations, are still needed “[t]o discipline the effects of undesirable intrinsic motivation” (Osterloh & Frey 2000: 540). Additionally, extreme extrinsic motivation is imperative when tasks are perceived as unattractive and costly by the agent.

**Research implication 7:** *Advances should be made in research focusing on organizational conditions under which extreme intrinsic and extrinsic motivation are truly beneficial compared to more moderated forms.*

### **3.2 It is All about Outcome**

An emerging trend within economics is to distinguish between the traditional economic outcome utility and the notion of procedural utility (Benz 2005; Frey & Stutzer 2005). Procedural utility is closely related to intrinsic motivation and generally the literature argues that individuals often value the process over the outcome. While the process certainly plays an important role, it can be argued that outcomes are equally important to intrinsic motivation as in the case of extrinsic motivation. If an individual chooses to repeat or sustain an intrinsically motivating activity, which the psychology literature argues that intrinsically motivated individuals do, the individual must somehow choose to reengage in the activity, because it leads to some sort of desirable outcome. In an article on happiness, Frey and Stutzer emphasize that “[f]or most people, happiness is the main, if not the only, *ultimate*

*objective of life*” (Ng, 1996, quoted in Frey & Stutzer 2000: 148. Italics added). Furthermore, Benz (2005) states that procedural utility emphasizes utility as well-being in terms of satisfaction of the needs for autonomy, competence, and social relatedness. Happiness and satisfaction of needs are also outcomes as they are the results of certain types of behavior. In other words, the behavior conducted is instrumental in obtaining these desirable outcomes. That is, intrinsically motivated behaviors are also a means to an end. The outcome desired and obtained is simply just different in kind compared to the outcomes traditionally treated in economics. Instead of being tangible and indirect, it is intangible and direct.<sup>7</sup> In other words, extreme intrinsic motivation often leads to an outcome that is affective rather than tangible.

**Research implication 8:** *Rather than using the distinction: outcome versus no outcome, as the decisive factor differentiating intrinsic and extrinsic motivation, the type of outcome they lead to should be in focus.*

When intrinsic and extrinsic motivation is defined in the same terms, it becomes easier to reconcile the organizational economic and the organizational behavior approach and thereby to develop a more full-fledged theory. It for instance becomes possible to integrate intrinsic motivation in economic models.

#### **4 The Importance of Affect in Understanding Motivation and Behavior**

In his early work, Deci already pointed out that intrinsic motivation somehow leads to an outcome and that this outcome is affective: “... the desired end-state for intrinsically motivated behavior is an affective state...” (Deci 1975: 133). More recently, Kehr (2004) agreed with this and argued that intrinsic motivation is related to affective processes whereas extrinsic motivation is related to cognitive processes. Recent research within the emergent field of neuroeconomics supports that both affective and cognitive processes influence individuals’ decision making in economic and social contexts (Camerer, Loewenstein & Prelec 2005; Fehr, Fischbacher & Kosfeld 2005; Singer & Fehr 2005).

Interestingly, some research results indicate that individuals, who have major affective deficits, but have retained their cognitive abilities, show poor decision making abilities (Damasio 1994). This implies that affective processes are extremely important in shaping motivation and hence also in “choosing” between alternative behaviors. In this connection it is argued that “[t]he affective system provides inputs in the form of affective evaluation of behavioral options [...] It is not enough to “know” what should be done; it is also necessary to “feel” it” (Camerer et al. 2005: 29).

Considering affective outcomes in addition to the traditional tangible outcomes as suggested earlier indeed seems pertinent in this perspective. However, one might speculate where the significance of affect on human motivation and behavior leaves the economic concept of utility maximization, which is associated with pure cognition, deliberation, and consciousness. One possible answer is that utility maximization involves affective processes where the individual might not always be deliberate and conscious in the choices of conduct. Sometimes one might feel instead of think that something is the best thing to do in a certain situation, i.e. the individual has a feeling that one action is better to choose than another. Deci

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<sup>7</sup> I am aware that the terminology tangible versus intangible as well as their association with extreme extrinsic and intrinsic motivation respectively can be quite problematic. In some situations verbal rewards, recognition etc., i.e. intangible outcomes, can be argued to be as much associated with extreme extrinsic motivation as tangible outcomes.

explains the process of “weighting” different alternatives and emphasizes that it need not be conscious:

“...people are motivated by what I’ve called awareness of potential satisfaction, and out of that awareness they make choices about what behaviors to engage in based on their expectations of end-states to which the behaviors will lead. The awareness encompasses what in other places have been called intrinsic motives, affective motives, drives, and real time needs. I should reemphasize that these awarenesses *need not be conscious* in the usual sense...” (Deci 1975, p. 134. Italics added).

Claiming that utility maximization involves affective processes, and challenging the traditional idea of an individual’s maximization, is of course highly controversial. However, with the evidence now available, it is crucial that affect is included in models of human motivation and behavior. Considering affective processes and affective outcomes might be an appropriate way to do this.

**Research implication 9:** *Theories on work motivation should include studies of both affective and cognitive processes, as well as how they, in interaction, impact motivation and behavior. This includes considering its impact on the traditional utility function and maximization of utility.*

## 5 Different Types of Preferences and Outcomes

Based on the above discussions, three overall types of outcomes associated with different types of motivation can be proposed; Affective, social, and tangible. Whereas affective outcomes are closely related to intrinsic motivation and the most internalized forms of extrinsic motivation, tangible outcomes are primarily related to the most extrinsic types of motivation. Social outcomes, however, are related to several of the in-betweens such as introjection as this type of motivation stems from wanting to feel worthy as well as avoiding emotions of e.g. shame and guilt in a specific social context<sup>8</sup>, identification as this type of motivation involves doing something because it is important to the success of a specific task and because it is the right thing to do, and obligation-based motivation as this triggers certain behaviors in the wish to act appropriately in a certain context. It should be emphasized that behaviors often lead to a combination of different outcomes.

In contrast to the canonical economic model of human motivation and behavior, it can be asserted that pursuing social and affective outcomes instead of seeking material self-interest, in the form of tangible outcomes, is not an irrational act. In fact, some streams of research argue that pursuing social outcomes over material outcomes can be rational if the individual holds social preferences (Fehr et al. 2005). Presumably, the same is the case with individuals, who have affective preferences when it comes to activities, which yield a positive affective outcome.

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<sup>8</sup> Wanting to relief or avoid emotions like guilt and shame are argued to be associated with a social rather than an affective outcome, as the primary wish is to be accepted, fitting in etc. in a certain social context. In the words of Deci and Ryan (2000: 236) “Introjection represents a partial internalization in which regulations are in the person but have not really become part of the integrated set of motivations, cognitions, and affects that constitute the *self*”.

**Research implication 10:** *Rationality should not merely be associated with maximizing material outcome. Rather, research on motivation and behavior in organizations should also consider rational reasons for pursuing social and affective outcomes.*

Some scholars suggest that three important types of social preferences exist (Fehr & Fischbacher 2002); reciprocity, equity, and altruism.<sup>9</sup> A preference for reciprocity involves that the individual responds to another individual's action in a similar manner as the other's action is perceived, e.g. kind actions are reciprocated with kind actions toward the other. The individual expects the development of a mutual relationship, which is not characterized by expected future material benefits but rather by what Blau (1964) calls "social benefits" or as Fehr et al. (2002) have suggested, by cooperation. A preference for equity, on the other hand, entails the wish to obtain an equitable distribution of material resources, even if this means reducing one's own share. More recently, the notion of procedural justice has been included in these discussions (e.g. McFarlin & Sweeney 1992). The third type of social preference, altruism, is best described as an unconditional kindness leading individuals to positively value the happiness of and allocation of material resources to another individual.

**Research implication 11:** *Organizational science should invest more time in research on different types of preferences and outcomes: affective, social, and tangible in order to discover when and how the different types are in play.*

In terms of motivation, it can be argued that there exist motivation types based on each of the three social preferences. As the reciprocity-based motivation involves the expectation of getting "social benefits" in return, it must be relatively close to extrinsic motivation. Conversely, equity-based motivation is closer to intrinsic motivation as it does not include the expectation of personally receiving something in return. However, as it involves allocation of material resources as well as treatment of people in accordance with a certain benchmark (Fehr & Fischbacher 2002), there is an implicit expectation of being treated in the same way. Altruistic-based motivation, on the other hand, can be characterized as a kind of extreme intrinsic motivation as it is done for no apparent outcome other than the enjoyment of helping others. Hence, the outcome obtained through such behaviors must be intrinsic and affective.

## 6 A Continuum of Motivation Types

The discussions in this paper enable the development of a continuum of motivation types ranging from extreme extrinsic, over several in-betweens, to extreme intrinsic motivation. Ten types of motivation are proposed: Externally-based, Introjection-based, Reciprocity-based, Obligation-based, Identification-based, Equity-based, Self-regulation-based, Integration-based, Selfish Enjoyment-based, and Altruistic Enjoyment-based. Although this continuum is much more comprehensive than the dualistic discussion characterizing organizational science, it is not argued to be exhaustive. However, it indeed contributes to a more nuanced perspective on motivation in organizations.

[Figure 1]

## 7 Conclusion

The overall purpose of this paper has been to show how nuanced motivation in organizations is as well as call attention to the importance of integrating such nuanced perspectives into the

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<sup>9</sup> These three types of social preferences are mentioned in Fehr & Fischbacher (2002). However, in their article the second type is called inequity aversion, which I have chosen to call preference for equity instead.

research agenda of organizational science. The pursuit of this purpose implied drawing attention to the research on intrinsic and extrinsic motivation within social psychology and combining this with sociological, economic and organizational science research on motivation.

Throughout the paper eleven research implications have been emphasized. Although these implications by no means encompass all possibilities for future directions of research on motivation in organizations, it is the contention that the consideration of them, would yield substantial benefits to organizational science in the attempt to build a more complete and full-fledged theory of motivation.

Many constructs have been suggested to be part of the motivation process of individuals. Needs, cognitive schemata, affects, goals, frames, preferences, rewards and other external factors are different determinants of an individual's motivation and behavior. In figure 2, an interpretation of how all these constructs, in interaction, determine an individual's motivation and in the end the behavior conducted, is offered.

[Figure 2]

Instead of continuing the battle between different views on motivation, future organizational research should acknowledge that the different theories treating motivation are not contradictory and hence not competing theories. Rather, they represent different pieces of the puzzle focusing on different aspects of the motivational process. Combining these, putting the pieces together, will most likely reveal a more complete view on motivation and behavior.

With the increasing intensity of the knowledge economy and the demands it inflicts on organizations and their struggle for competitive advantages, the development of a more complete and nuanced understanding of motivation should become one of the main areas of future research.

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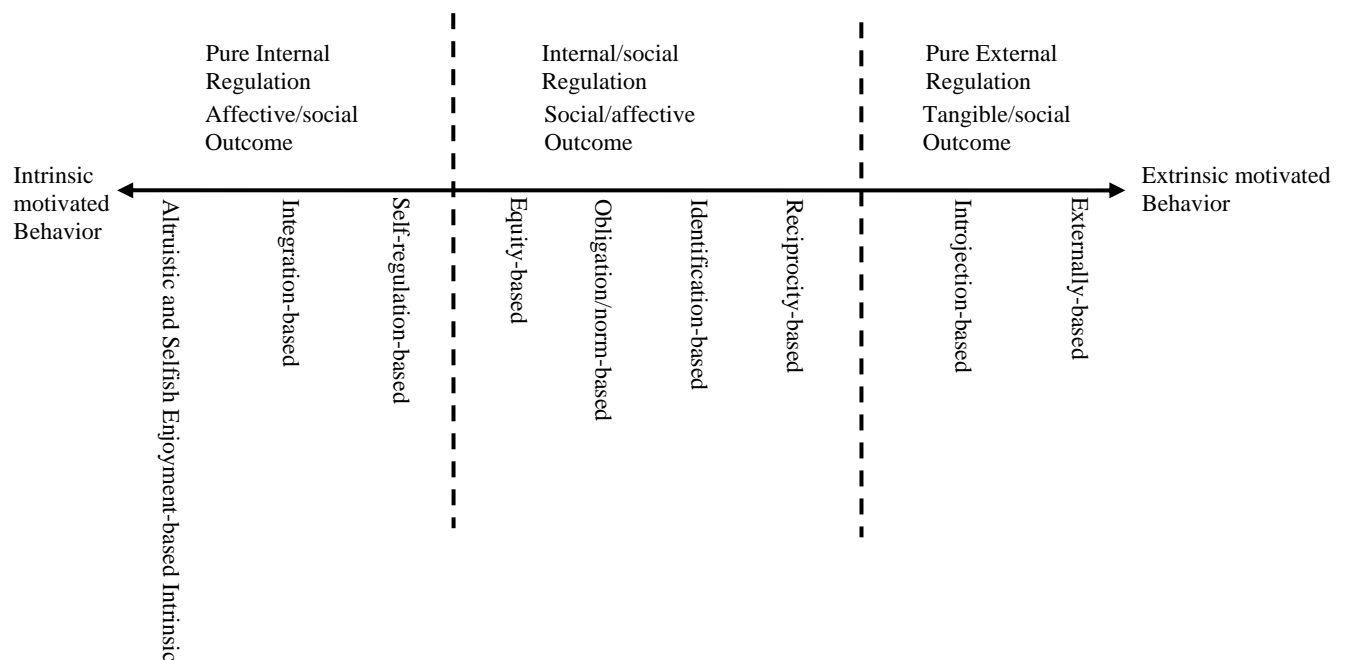
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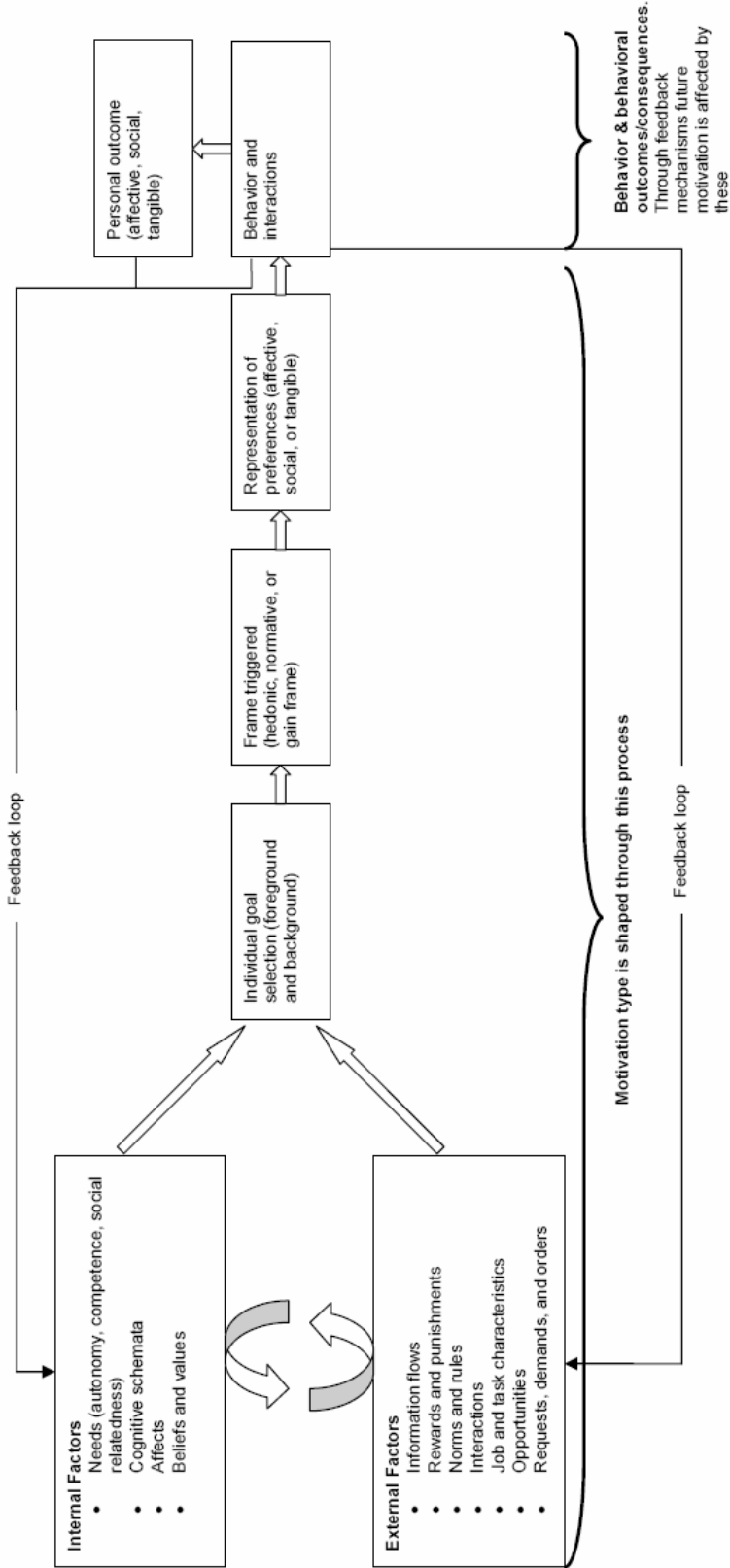
**Table 1: Characteristics of different types of intrinsic and extrinsic motivation**

	<b>Extreme Intrinsic Motivation</b>	<b>Well-internalized Extrinsic Motivation/Moderated Intrinsic Motivation</b>				<b>Extreme Extrinsic Motivation</b>	
	Enjoyment-based Intrinsic Motivation	Integration	Self-Reinforcement	Obligation-based Motivation	Identification	Introjection	External Regulation
Locus of control	Internal	Internal	Internal	Internal	Internal	External	External
Drive	Enjoyment, interest, and direct satisfaction of needs	The feeling of conducting actions, which are integral parts of self and a sense of a coherent identity	The feeling of satisfaction with own performance and the feeling of accomplishment	The feeling of acting appropriately, fitting in, and social approval	The feeling of conducting actions, which are perceived as doing the right thing	The feeling of being worthy in a specific social context  Pressure from outside	Additional resources such as tangible rewards
Control vs. autonomy	Inherently autonomous	Autonomous	Autonomous	Autonomous	Moderately autonomous	Moderately controlled	Controlled
Examples	Engaging in an activity, because it is inherently interesting and joyful	Doing something, which is important for personal goals for no apparent reward	Doing something to comply with own behavioral standards for no apparent reward	Without thinking about it, acting in accordance with rules and norms for no apparent reward	Doing something, because it is important to the success of a certain task, which the person identifies with	Contingent-self esteem and ego involvement	Engaging in an activity in order to obtain or avoid something separate from the activity

**Figure 1: Motivation continuum**



**Figure 2: The motivational process of the individual**



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