

Digging More Deeply Into Behaviorism

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As discussed in the print article on this topic, merit-based pay systems set out to improve performance by offering extrinsic rewards. Noted expert, Alfie Kohn, has identified five issues associated with this approach.¹ Each of these shortcomings is described in more detail in this article.

Rewards Frequently Involve Punishments

Merit-based pay systems immediately divide faculty members into winners and losers. Whereas the intent of the merit-based system is to laud the accomplishments of extraordinary contributors, it has the undesirable and unavoidable consequence of communicating that some contributions were inferior, as evidenced by lower compensation increases. Although this may be the case, it can seem punitive and potentially decrease those faculty members' future performance. To view an entertaining video related to this point and others in this article, take a moment to watch "Drive: The Surprising Truth About What Motivates Us," adapted from Daniel Pink's comments, at <http://www.youtube.com/watch?v=u6XAPnuFjJc>.

Rewards Rupture Relationships by Generating Competition

Merit-based pay systems are detrimental to positive and collegial departmental relationships. They not only can impact the rapport between the department chair and faculty members but also among faculty members. In many, if not most, merit-based systems, the responsibility for determining compensation increases is assigned to the department chair. The realization that the chair evaluates performance and determines pay increases is a constant consideration at the subconscious level. This can create an emotional distance, which sometimes is referred to as a "professional relationship." That gap can become a barrier to honesty and can have an isolating effect on the chairperson.

Merit-based compensation systems presume that faculty members will not naturally engage in meaningful and productive activities that add value to the organization. The use of rewards is actually coercive, which may not be acknowledged by the participants

but still infects relationships. Few people like to feel that they are being pressured into behaving a certain way. Making department chairs responsible for dividing the compensation increases among faculty members inevitably intensifies the power differential that already exists due to hierarchical structure, and that is detrimental to collegial interactions.

Relationships among faculty members are also damaged by establishing a system that singles out individuals' accomplishments and creates competition among colleagues. Because merit-based pay increases are scarce, more for one faculty member means less for others. In the worst cases, this approach can lead to gamesmanship and political maneuvering that can hurt the cohesiveness and collaborative culture overall.

Rewards Ignore the Underlying Reasons for Existing Performance

Concrete, observable achievements of faculty members provide the evaluation basis for these systems.² If a faculty member accomplishes great things, successfully communicates his/her contributions, and convinces the decision makers of their value to the organization, he/she will reap greater rewards; however, this system ignores the reasons associated with success and failure. Milliman and McFadden point out that "performance appraisals fail to distinguish between factors that are within the employees' control and system-determined factors that are beyond their control."³ Frequently, the difference does not relate to the actual level of accomplishment but the faculty member's ability for self-promotion.

Rewards Discourage Risk Taking

The concrete accomplishments that will be rewarded are articulated in advance to stimulate performance. This can limit the faculty member's willingness to take risks. Innovation, ingenuity, and creativity are core values of most institutions of higher learning; these fundamentally involve risk. This is a paradox that creates a quandary for the designers of merit-based pay systems.

For instance, would the designers of a merit-based pay system reward failed projects if creativity was a

criterion or would only successful endeavors earn recognition? This is why merit-based pay systems have a tendency to foster safe behaviors. The inability to define the balance between taking appropriate risks and avoiding serious negative consequences is challenging, so it is almost never addressed effectively in these compensation systems.

Rewards Undermine Intrinsic Motivation

The most ironic and insidious impact of merit-based pay systems is that they have a tendency to discourage the pursuit of excellence. Faculty members rarely undertake academic careers to attain high financial gains; instead they are motivated to focus on making meaningful contributions to society. A meta-analysis showed only a moderate correlation between incentives and the quantity of work, but indicated no effect or even a detrimental impact on the quality of work.⁴

When pay is based on merit, the focus may shift from solving interesting and/or important problems to ones that are acknowledged in the evaluation criteria. In a study first conducted in 1971 that has been replicated many times, Edward Deci invited subjects into the lab and challenged them to work on a puzzle.⁵ After a few minutes, the participants were told they could stop working on the puzzle and were asked to wait several minutes until the next phase of their participation would begin. During this waiting time, the participants were free to continue working on the puzzle, read a magazine, or just sit there. The waiting time actually was the crux of the experiment. Half of the participants had been told they would be paid for their participation in the study, and no discussion on compensation had occurred with the other

participants. The participants were monitored during the waiting time, and the subjects who had been told they were being paid for their participation were significantly more likely to fold their hands and just wait quietly for the next phase. On the other hand, the remaining subjects were more likely to continue to work on the puzzle—even after they had been told they could stop.

What this research revealed is that just the promise of extrinsic rewards can have a subtle and powerful impact on behaviors, making people less likely to engage in activities that they otherwise would find challenging and pleasurable without receiving compensation. This describes much of the work that faculty members do, and it suggests that merit pay may have serious negative effects in a collegiate environment.

References

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