



Competing Motivations: Adding Prosocial Incentive Reduces Effort

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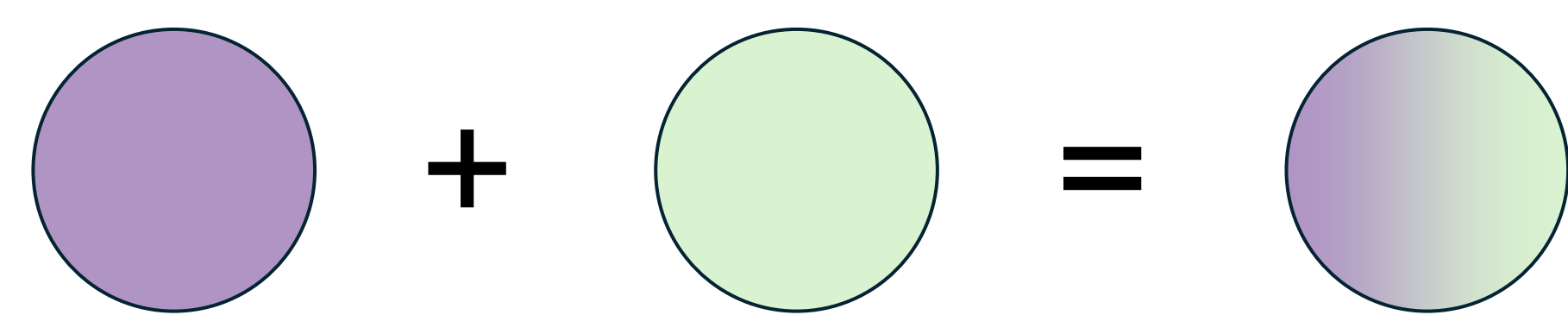
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Abstract

- How do multiple motivations interact with each other?
- Put forward a framework of *competing motivations* that predicts a weak incentive can diminish the appeal of an attractive incentive.
- Test this in a real effort experiment with different incentive schemes.
- Find that those motivated by monetary rewards and charitable rewards completed *19% less tasks* than those offered only the monetary incentive.

Introduction

- Have seen monetary incentives crowd out intrinsic motivation but never vice versa (Gneezy & Rustichini, 2000; Deci et al., 1999; Fehr et al., 2001).
- Signalling models explain how monetary incentives undermine the positive signal of intrinsic motivation (Bénabou & Tirole, 2006).
- What if motivations *blend together* instead of adding? Combining incentives could taint the way they are perceived.
- Unlike signalling models, backfiring effect extends beyond monetary incentives and intrinsic motivation.

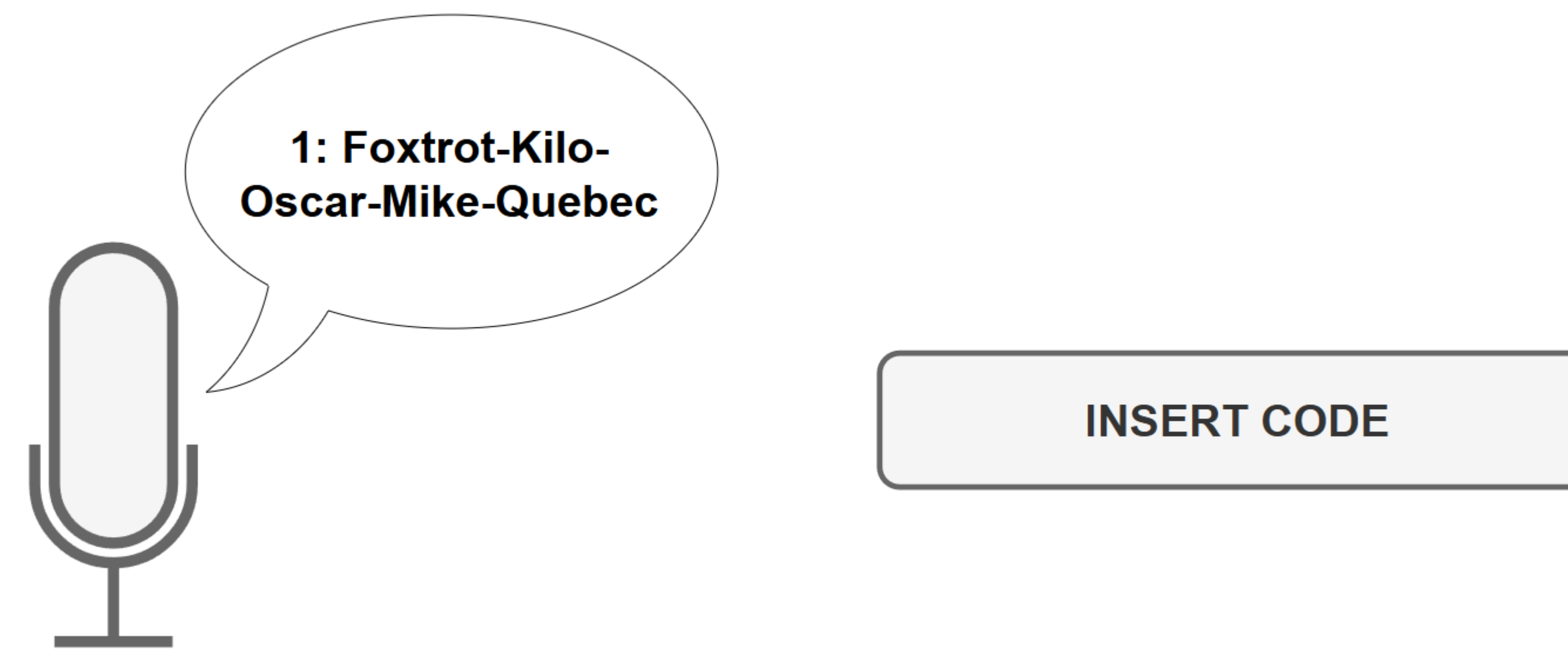


Methods

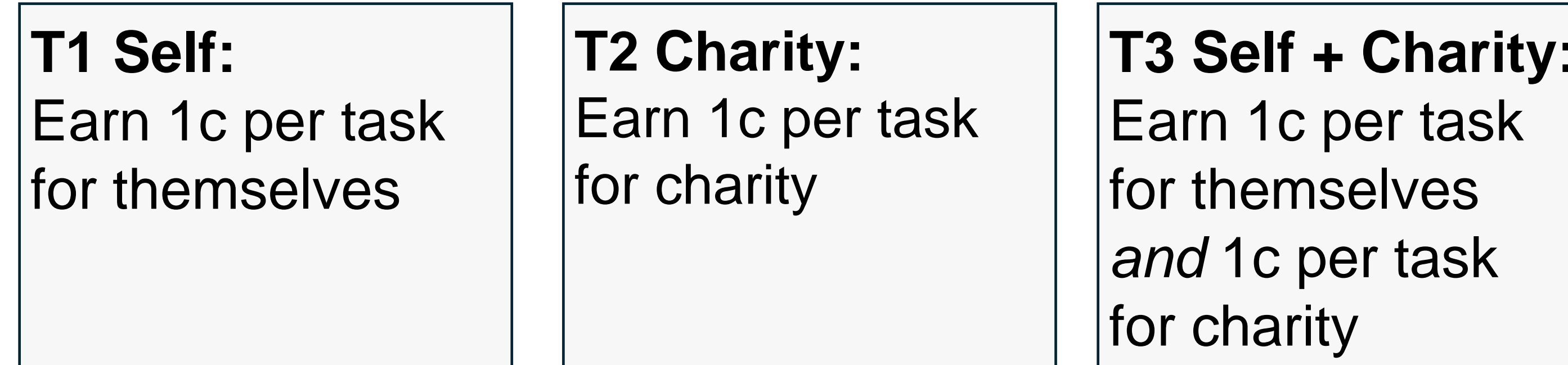
- Real effort experiment to test the *hypothesis* that a charitable incentive can undermine motivation to earn money.
- Experiment preregistered and conducted online using Amazon Mturk CloudResearch.

Design

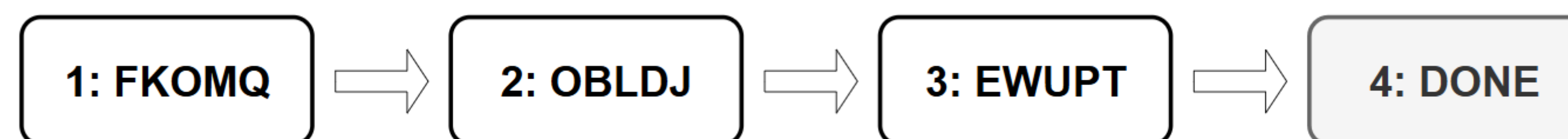
- 1 Participants are taught to use the NATO Phonetic alphabet, transcribing 5 letter codes that are presented in short audio clips.



- 2 Every code transcribed earns a reward. Participants are randomly split into one of three treatment groups, earning money for themselves, for charity, or for both.



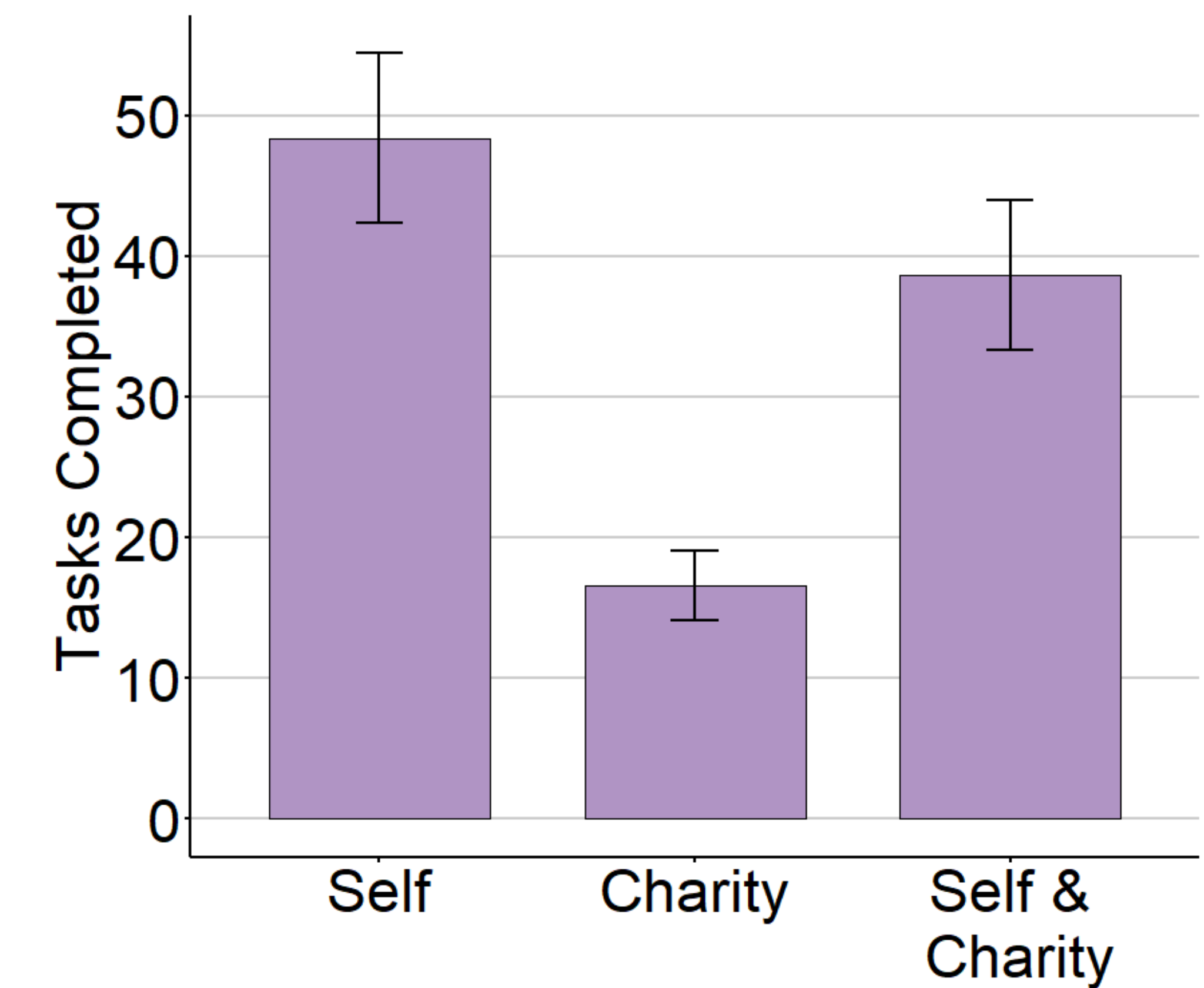
- 3 Participants work for as long as they wish, typing "done" to finish.



Procedures

- Between-subjects design with 914 participants.
- The charity they raised money for was the Red Cross.
- Paid \$1 USD for finishing the experiment plus bonuses.
- Each session lasted approximately 10 minutes.

Results



- Participants working only for themselves completed more tasks than those working for themselves and charity (Welch t-test $p = 0.0179$).
- Effort disparity persists across the entire distribution (Kolmogorov-Smirnov test $p = 0.0441$).
- Result is robust among strong charity supporters: 82% rated supporting the Red Cross as "important" or higher, with no change in effect within this group.

Discussion

- Participants demonstrate unprecedented behavior consistent with *competing motivations*.
- Important to reconsider how incentives translate into motivation. Evidence against additive approach.
- Recognize that the results are *consistent with* but *do not prove* the new framework. Investigate other possible explanations to rule them in or out.
- Next steps are to test if this result is generalizable to other dual incentive schemes (e.g., money and gift cards).

References

1. Gneezy, U., & Rustichini, A. (2000). Pay enough or don't pay at all. *The Quarterly journal of economics*, 115(3), 791-810.
2. Deci, E. L., Koestner, R., & Ryan, R. M. (1999). A meta-analytic review of experiments examining the effects of extrinsic rewards on intrinsic motivation. *Psychological bulletin*, 125(6), 627.
3. Fehr, E., & Falk, A. (2002). Psychological foundations of incentives. *European economic review*, 46(4-5), 687-724.
4. Bénabou, R., & Tirole, J. (2006). Incentives and prosocial behavior. *American economic review*, 96(5), 1652-1678.