

The Effects of Extrinsic Rewards on Admissions Counselors' Performance

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Abstract

This study examines the best ways to motivate college admissions counselors. A review of literature revealed multiple perspectives on intrinsic and extrinsic as well as tangible and intangible rewards. Primary research was designed to examine the impact of tangible rewards and verbal reinforcements with a convenience sample of nine college admissions counselors. Results revealed that verbal praise was a stronger motivating factor than tangible rewards. These results can be applied to management of college admissions counselors in a variety of settings.

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Chapter One

Background of the Problem

The purpose of this action research project is to determine if extrinsic rewards act as a motivating factor for admissions counselors. Admission counselors play an essential role in higher education. They recruit and enroll students in the university. Recruiting students is of interest to other people in management-level positions in proprietary higher education institutions, because admissions is the entry point for all students. Measuring the admissions counselors' performance to determine what motivates them should be of interest to all administrators. It is important to keep admission counselors' performance levels high, due to the fact that they are the revenue drivers in proprietary education. Therefore, measuring the employees' performance attributed to different motivation factors could be important.

In the Admissions Department it is essential for managers to keep their employees' motivated to maintain high achievement levels. Often, managers struggle to try to learn the employees' motivating factors that enable them to be successful. The goal of this research is to determine if extrinsic rewards improve the admissions counselors' performance. To accomplish that, this study will measure the counselors' performance when they receive tangible rewards compared to when they receive verbal reinforcements for their performance. Productivity will be compared when they receive tangible rewards and when they receive words of encouragement rather than tangible rewards.

There are theories on the effects of extrinsic rewards and verbal reinforcements on employee's motivation. According to the theories, verbal reinforcements have a more positive effect on employee's motivation than tangible rewards (Furnham, Petrides, Tsaousis, Pappas, & Garrod, 2005). However, there is also research to support extrinsic motivation as an important

factor in admission counselor success (Albrecht, Abeler, Falk, & Weber, 2009). The results obtained in this research will assist managers in proprietary higher education in determining effective methods of motivating admission counselors.

This research takes place in one of the largest proprietary education institutions in the state of Florida, Keiser University Ecampus. Overall Keiser University has approximately 19,000 students. They have over 15 campuses throughout the state of Florida and a campus in China.

Statement of the Problem

The ever-present problem for an admissions team is how to get the greatest number of the most appropriate prospects as new students for the school. The problem for managers of admissions counselors is how to keep counselors performing to their greatest potential. No clear consensus exists in the research community about the best way to spur admissions counselors on to high levels of achievement in the world of proprietary career-oriented higher education. This study takes the opportunity to use primary data collection to investigate the solution to the problem of motivating admissions counselors.

Chapter Two

Literature Review

Intrinsic and Extrinsic Rewards

There have been several views of the effects of extrinsic and intrinsic rewards on employees related to motivation. Attitude and personality correlate with motivation in the work place (Furnham, et al, 2005). In this study, the authors discuss how the employee's personality is indicative of his or her attitude and behavior as an employee. The employees' personality impacts their work values because it predicts what motivates them in the workplace and what they value in life. Furnham et al. (2005) describe two motivators for an employee: intrinsic and extrinsic motivators. The motivating factors for an intrinsically motivated person are the strong desire to achieve and accomplish his or her goal(s). The extrinsically motivated person's motivators are to be secure in life with his or her family and have a sense of stability.

The method used in this study was information gathered in a survey questionnaire. In the survey, the participants rated the importance of job achievement, benefits, interest, trust, and job security. The highest rated motivators were achievement, job interest, and trust; all of these are intrinsic motivators. The employee's attitude is a strong indicator of how motivated he or she will be in his or her position. Therefore, it is important to predict the employee's attitude prior to hiring the employee. One way to predict an employee's attitude (prior to hiring him or her) is to require him or her to fill out a survey questionnaire that may assist in predicting his or her attitude (Furnham et al., 2005). The Furnham study is notable because of its conclusion that intrinsic motivation is more likely to keep workers focused on their goals than external inputs

According to a research study by Popescu and Kocabiyikoglu (2007), extrinsic rewards that have a monetary value do not motivate employees. These rewards can often demotivate the

employee to achieve their goals. The authors explain that in order for extrinsic rewards to act as a motivator for the employees, the employer would have to hire an extremely aggressive workforce (Popescu, Kocabiyikoglu 2007).

Not all of the studies that address intrinsic and extrinsic rewards concluded that employers are universally motivated from within. According to a survey from American Express, (Williams, 1999) providing employees with rewards for their performance is an essential part in employee retention and building the employees' morale. About eighteen percent of managers measured expressed that they were never recognized with an award for their performance. A majority of the employees felt that rewards assisted in increasing their corporate loyalty. The consensus for the best rewards was words of appreciation and a good evaluation. Study participants felt that material rewards such as tee-shirts and gift certificates were not as meaningful (Williams, 1999).

Good Management Can be a Motivator

Hanson (2005) evaluated the importance of managers in determining those factors that motivate their employees. He discussed the importance of employees having a positive attitude. A positive attitude has a direct correlation on how productive an employee will be in his or her position. Hanson mentioned that a negative attitude can not only affect the employee alone, but also it can have negative effects on the entire team. Knowing the employees goals in life can assist the manager in determining the employees' motivational factors.

Hanson (2005) makes many valid points for a manager to motivate his or her employees. There are several ways a supervisor can accomplish this task. One way is to thoroughly get to know the employees and learn about their career goals. When the employees realize the growth

opportunity that they can obtain in a company they will be motivated to be successful in their positions. It is essential for managers to measure the employees' performance levels (Hanson, 2005, p.3). By measuring the employees' performance, the manager will find out the employees motivating factors.

Zorn and Ruccio (1998) discussed the importance of communication in motivating an admissions department. They outline three forms of speech that are essential in motivating an admissions team at a college. The first form of speech that should be conveyed to the team is the ability to increase the employee's knowledge and understanding of what is needed for his or her position. The second form of speech conveyed to the employees is their value as employees and the importance of their positions. The third form of speech involves getting more acclimated with the employees on the team. It is important for the manager to show an interest in the employee's life outside of work and help promote interaction between team members.

All the forms of speech discussed in the article are essential for all managers to utilize in a college sales team environment. Providing the employees with knowledge pertaining to their positions will assist in the employees' productivity. Knowledge, such as professional development empowers the employee and makes them more comfortable in their position. When employees realize their value to the company and that they are appreciated, they will be motivated to continue to be productive in their positions. Establishing a mutual bond with the employee will motivate the employee to have the desire to become successful (Zorn & Ruccio, 1998, p. 2).

Echoing other studies, the theme of London's (1993) article is motivation related to these three areas: career resilience, career insight, and career identity. Career resilience involves

adapting to change in the company and the ability to work with all different types of employees. Career insight is being conscious of one's own career goals and focusing on them while being able to acknowledge one's strengths and weaknesses. Career identity is how people view themselves in their career and organization. London conducted a study to measure employees' motivation. Both employees and supervisors were told to complete questionnaires, which measured motivation in their career, support for career growth, and empowerment. In analyzing the survey data, it was determined that the employees viewed themselves more favorably than their supervisors viewed them.

Studying the areas that encompass motivation is crucial in motivating employees. Knowing the employees' career goals, strengths, and weaknesses can assist the manager in identifying the employees' motivational factors. Providing the employee with encouragement for their accomplishments can assist in motivating the employee to continue to succeed in the position (London, 1993, p. 1).

An unexpected method of motivating employees is simple good management: effectively communicating expectations. Communication is also another critical element that both establishes a bond between management and the employees and also conveys knowledge that will empower the employees. Leibowitz, Shore, & Schuman (1992) argue that many of the ingredients necessary to motivate employees are there in the workplace already, factors such as interest, satisfaction with the job, and the work itself. The question becomes how managers can channel those motivations into a higher productivity. This view of employee motivation dictates that the crucial time in planning for strong motivation is during the hiring process as much as during the management of employees throughout their tenure with the company.

Another form of extrinsic reward shown to be a workplace motivator is professional development opportunities. Employee development plays a major role in motivating employees. Taking the time to develop the employees' skills is critical for all managers. At Merck and Company a study was conducted about the importance of employee development (Leibowitz, Shore, & Schuman, 1992). Results showed that professional development is not just about training the employees', it is about providing them with on the job training and developing the employees' skills. Merck and company provide awards for management that not only provide their employees with training and development, but also provide an environment filled with team work (Leibowitz, Shore, & Schuman, 1992).

If some studies prove that intrinsic motivators work and others prove that extrinsic motivators work, how do managers react? Brown (1992) suggested that the question is more complex than a simple dichotomy. Providing employees with incentives can have both a positive and negative effect. Some employees will aspire to achieve the rewards and incentives, while other employees are not motivated by incentives and they may even act as a demotivator. According to Brown (1992), management created incentive programs because not all employees were receiving promotions or raises and they offered incentive programs to act as replacement. Management should be creating training programs and educating the employees to move up within the company (Brown, 1992).

Implications for Managers

Effective incentive programs can take time to administer and require a consistency and commitment from management (Norwell, 1989). But they have the potential to act as a major motivator for many employees. There are several benefits of an incentive program. They include: a stronger sense of employee motivation, effective internal communication, increase in

recruitment and retaining high quality employees, an improvement in the employees' self-awareness, and a stronger sense of employee loyalty (Norwell, 1989).

Mani (2002) discussed the importance of acknowledging an employee's high performance and providing the employee incentives such as a raise or promotion. The author provided an example of a performance management program at East Carolina University. The purpose of the program was to motivate and reward employees for their exceptional work. East Carolina University measured the employees' motivation through a survey. The surveys showed a strong shortage of high level performance in the university.

Conclusion

Based on the literature reviewed, further study is needed. Much of the literature shows that intrinsic rewards work, but other studies suggest that external motivators are also necessary. The research community has gathered much data on effective management strategies that can inform business practice. The implication for the present study is how applicable this information is to the proprietary, career-oriented higher education sector. Keiser University has a split corporate personality—it sometimes behaves like a business; it sometimes behaves like a higher education institution. What is needed to illuminate this question is primary research. Trying different motivation techniques with the actual actors in an authentic scenario is the only way to specifically inform the research question.

Chapter Three

Research Methodology

Problem Statement

The ever-present problem for an admissions team is how to get the greatest number of the most-appropriate prospects as new students for the school. The problem for managers of admissions counselors is how to keep counselors performing to their greatest potential. No clear consensus exists in the research community about the best way to spur admissions counselors on to high levels of achievement in the world of proprietary career-oriented higher education. This study takes the opportunity to use primary data collection to investigate the solution to the problem of motivating admissions counselors.

Study Population

The population of individuals studied in this research is admissions counselors working in the proprietary, career-oriented college market. Keiser University employs approximately 400 individuals to work in this capacity. This study takes a convenience sample of nine admissions counselors who work in the online division and report to the author of this paper, who is their manager.

Six are female and three are male. Five are African American, three are Caucasian, and one is Asian. Two participants hold master's degrees and seven have the minimum educational requirement, a bachelor's degree. None of the participants has been in college admissions for more than three years. Two have less than one year of experience; the remaining seven have more than one year of experience. This sample is an appropriate group of individuals to study for

insights about how to motivate admissions counselors—Results of studying this group would be highly applicable to the rest of the population, as well as the rest of the industry.

The participants were briefed on the purpose and procedure of the study. Informed consent forms were distributed and participants had an opportunity to ask questions about the study. Participants were offered the opportunity to opt out of participation and were assured of their anonymity throughout the process. Signed forms were collected and are on file in the author's office.

The Process

Prior to performing the study, the researcher will brief the participants on the goals of the study. The participants will sign a consent form in order to participate in the study. Every participant will be provided with a copy of the signed consent form and have an opportunity to ask the researcher questions pertaining to the study.

During the action research project, the writer will utilize extrinsic and intrinsic factors to motivate admissions counselors' and then measure the results. For two weeks the researcher will provide the participants with tangible items, such as candies, chocolates, candles, etc. for each student they enroll. The following two weeks, the researcher will not provide the admissions counselors with tangible items and only provide the counselors with words of encouragement on accomplishing their goals. Furnham's (2005) study will assist the researcher in measuring the motivating factors for admissions counselors. Every time a counselor has an enrollment during the two weeks of receiving an extrinsic reward, the reward given to the counselor will be recorded as well as the counselor's enrollment performance. During the two weeks when the counselors' receive verbal reinforcements for their performance, each verbal reinforcement will

be recorded in addition to the counselor's enrollment performance. Examples of verbal reinforcements include statements such as "way go to, great job, you're changing people's lives, etc". Their performance will be compared in the presence and absence of tangible reinforcements.

Mani's (2002) study supports the action research project due to the fact that the ability to acknowledge an employee's high performance is essential for supervisors. It is critical to remain objective and true to the employee's accomplishments. Similar to Hanson's study the researcher will examine the impact of tangible and verbal reinforcements on the performance levels of admissions counselors.

The researcher will evaluate the log and utilize the quantitative analysis in determining the admissions counselors motivating factors. Through evaluating the admissions counselors' performance when they receive tangible rewards and when they receive verbal reinforcements for their performance, this evaluation will assist the researcher in determining the admissions counselors' motivating factors.

Chapter Four

Description of Results

During Phase One, the admissions counselors achieved a total of 22 enrollments. For each enrollment, the admissions counselor received a tangible reward. In Phase Two, the admissions counselors achieved 26 enrollments. For each enrollment, they were given a verbal reinforcement. There were several exemplary cases where admissions counselors received 5 enrollments during Phase Two. One admissions counselor achieved 7 enrollments in Phase One. The chart below outlines the results of the study.

Admissions Counselor	Total enrollments for phase one	Tangible rewards	Total enrollments for phase two	Verbal reinforcements	Total number of enrollments for phase 1 & 2
Admission counselor 1	3	two candles, lotion,	5	Great job, way to go, you're changing students lives, great job, way to go	8
Admission counselor 2	2	chocolate bar, candle	5	Great job, way to go, you're changing students lives,	7

				great job, way to go	
Admission counselor 3	2	lotion, candy	1	Way to go	3
Admission counselor 4	1	candy	2	You're changing students lives, great job	3
Admission counselor 5	1	chocolate bar	4	Great job, way to go, you're changing students lives, great job	5
Admission counselor 6	3	picture frame, lotion, candle	5	Great job, way to go, you're changing students lives, great job, way to go	8
Admission counselor 7	3	Two chocolate bars, candy	2	Great job, way to go,	5

Admission counselor 8	7	Five candies and two chocolate bars	2	Great job, way to go,	9
Admission counselor 9	0	0	0	Great job	1
Total	22		26		48

Chapter Five

Summary

The problem for managers of admissions counselors is finding effective motivators. This paper reviewed relevant literature in an attempt to determine the motivators that researchers study when examining ways to focus admissions counselors on their goals. A simple experiment was designed that compared the effectiveness of tangible rewards to verbal reinforcements in order to compare methods for motivating employees.

The results presented in Chapter Four are important because they show that verbal reinforcements were a strong motivating factor for the admissions counselors. During Phase One of the study, the admissions counselors achieved 22 enrollments; for every enrollment they received a tangible reward. In Phase Two of the study, the admissions counselors achieved 26 enrollments; for every enrollment they received a verbal reinforcement. The results prove that verbal reinforcements act as a stronger motivating factor for admissions counselors. Three of the admissions counselors achieved 5 enrollments in Phase Two, while only one admissions counselor achieved 7 enrollments in Phase One. The counselors were clearly motivated by the verbal reinforcements rather than the tangible reinforcements.

Why were these employees more motivated by verbal reinforcements than tangible rewards? One possibility is the extrinsic value of the tangible rewards chosen. Rewards included chocolate, other candy, candles, picture frames, or hand lotion. An attempt was made to offer employees rewards that matched their individual tastes according to gender and personality. However, a possibility is that there was not enough value in the extrinsic rewards to make a difference. Another possibility is that the employees who work in this position are career professionals who view their self-worth through a lens of effectiveness at their job. Such

employees are more likely to be motivated by positive verbal reinforcement from their superior than even high-value tangible rewards.

Another way of viewing the issue of employee motivation is that an individual approach may be necessary. Leadership in this area may just entail getting to know individual employees and finding out what drives them. Brown's (1992) work would support this idea. According to Brown (1992), extrinsic rewards do not motivate all employees. The results of this study proved that not every admissions counselor was motivated by the tangible reinforcements. The admissions counselor who achieved 7 enrollments in Phase One and 2 enrollments in Phase Two is clearly an employee who is motivated by extrinsic rewards. The remaining counselors achieved most of their enrollments in Phase Two. Therefore, the majority of the counselors are motivated by verbal reinforcements.

Future studies on this topic could investigate the speculation offered. One version of the study could track the result of using higher-stakes rewards, such as cash, paid time off, or hotel stays. Another way of studying motivators for these employees is to interview each one individually in an attempt to determine his or her motivation, then compare phases where those motivators are used with a phase in which no motivators are used.

The information obtained through the research study can benefit managers at a proprietary college admissions department. While admissions counselors are not considered sales people, the information obtained through the study can be valuable information to managers in sales environments, such as call centers, phone sales, and phone market researchers. All managers have to find ways to motivate their employees. The study will provide the managers with insight on the employees' motivating factor to achieve his or her goals.

Managers of admissions counselors should get to know each of their employees and as they get to know them, they will find out their key motivating factors. This research revealed many insights about the team of participants studied; it is important for a manager to experiment with schemes and determine the outcomes of the schemes. After the schemes take place, the manager should evaluate each of the employees' motivating factors.

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