HAPPY WORKERS AREN’T NECESSARILY PRODUCTIVE WORKERS!

Doesn’t it seem intuitively logical that happy or satisfied workers would be productive workers? Most of us think so. But intuition can often lead you astray and this is one of those cases.

A lot of companies spend serious money in efforts to increase employee job satisfaction. They introduce flexible work hours, provide onsite child care facilities, support generous retirement plans, create architecturally attractive work places, and the like in the hope of increasing employee satisfaction. Then management is disappointed when employee turnover continues to be high and productivity fails to improve. The truth is that while there may be a positive correlation between satisfaction and productivity, it tends to be quite small; in fact, it’s more likely that productivity causes satisfaction than the other way around.

A careful review of the evidence finds a correlation of only about +0.14 between satisfaction and productivity. This means that no more than two percent of the variance in output can be accounted for by employee satisfaction. Moreover, the
evidence suggests that productive workers are more likely to be happy workers rather than the reverse. That is, productivity leads to satisfaction. If you do a good job, you intrinsically feel positive about it. In addition, if you assume that the organization rewards productivity (which I concede is a big assumption), your higher productivity should increase verbal recognition, your pay level, and probabilities for other rewards. This, in turn, increases your level of satisfaction with the job.

A personal experience might help you see how this works. I've been writing books for more than 25 years. I can honestly say that, in that period, I only had one experience with writer's block. It was back in the early 1980s. I would sit in my office, looking out the window, waiting to "feel like writing." My waiting lasted several weeks. Then one day I had to go in and give a lecture on motivation. When I reviewed the evidence on the relationship between satisfaction and productivity, the answer to my writer's block became immediately evident. The next day, I went into my office and began furiously typing anything that came into my head on the topic at hand. Most of what I wrote was garbage. But there were a few decent sentences. I threw out the garbage and began to work with the decent stuff. Lo and behold, paragraphs of quality material began to flow. And the more good stuff I generated, the more enthusiastic I became. Within half a day, my writer's block was gone. The error I had made was assuming that productivity (writing output) would come when I felt good about writing (satisfied). What I needed was to generate some quality output and that would lead to satisfaction.

What are the implications of these findings for managing people? Stop focusing singularly on how you can increase satisfaction. Put your efforts into helping employees become more productive. For instance, consider increasing training expenditures, improving job design, providing better tools, and removing any barriers that might impede an employee being able to do a first-rate job. These actions are then likely to lead to higher employee satisfaction.