

Improving Group Motivation and Output

How to Identify and Prevent Free-Riding



Abstract

Group work is an integral part of daily life for most organisations. However, when personal priorities are put before the best outcome for the group, individuals frequently withhold their effort and choose to Free-Ride on the input of others instead. The inevitable motivation and output losses mean groups rarely achieve their full potential.

This white paper analyses the impact of the Free-Rider Effect on group performance, and examines three key sources of low motivation. Providing practical advice and action, it also explains how to increase motivation to achieve rapid performance improvements. Several techniques are covered with a particular emphasis on the role of social performance management software.

Key concepts discussed



The Free-Rider Effect

Group motivation losses which occur when individuals determine other members in the group will exert enough effort to enable them to reduce or withhold their effort.



Social Loafing

Group motivation losses which can occur when individual contributions cannot be identified.



The Sucker Effect

When hard-working individuals determine other group members Free-Ride on their efforts, therefore deliberately reducing or withholding their effort to restore equity.



Social Discipline

A powerful psychological management tool that combines acting in accordance with rules with the effects of social influence and responsibility to ensure compliance.

Contents

| | |
|--|-----------|
| Abstract | 02 |
| Contents | 03 |
| The challenge of low group motivation and output | 04 |
| The Free-Rider Effect | 04 |
| The Sucker Effect | 06 |
| Overcoming low group motivation and output | 08 |
| Specific solutions for increasing group motivation and output | 09 |
| The role of software in improving group motivation and output | 11 |
| What is social performance management software? | 11 |
| The power of Social Discipline | 12 |
| What is performance management software? | 13 |
| Benefits of performance management software | 13 |
| Key features of effective social performance management software | 14 |
| Introducing Samewave | 15 |
| Samewave – the business benefits | 16 |

The challenge of low group motivation and output

Productivity losses arising from group performance are well documented,¹ with task-performing groups rarely achieving their full potential. Coordination losses for example occur when a group fails to work together to maximise the contribution of each individual, while motivation losses arise when members fail to contribute their maximum effort.²

A social dilemma happens when the choice or behaviour that is best for the individual does not lead to the best outcome for the group, should all members behave in a similar way.³ Two key effects can fuel a social dilemma: the Free-Rider Effect and the Sucker Effect.⁴ Both will have a detrimental impact on group performance.

The Free-Rider Effect

The term **Free-Rider Effect** refers to group motivation losses. It occurs when individuals determine other members in the group will exert enough effort to enable them to reduce or withhold their effort, while still allowing the group to achieve the desired outcome. If group members discover that their effort is not necessarily required, they may choose to “let Richard do

1 Latané, B., Williams, K., and Harkins, S. 1979. Many Hands Make Light the Work: The Causes and Consequences of Social Loafing. *Journal of Personality and Social Psychology*. Vol. 37, pp. 822-832; Kerr, N.L., and Bruun, S.E. 1981. Ringelmann Revisited: Alternative Explanations for the Social Loafing Effect. *Personality and Social Psychology Bulletin*, Vol. 7, pp. 224-231. Cited in Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

2 Steiner, I. 1972. *Group Process and Productivity*. New York: Academic Press. Cited in Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

3 Orbell, J., and Dawes, R. 1981. Social Dilemmas. In G. Stephenson & H.H. Davis (Eds.), *Progress in Applied Social Psychology*, Vol. 1, pp.37-65. New York: Wiley. Cited in Shepperd, J.A. 1993. Productivity Loss in Performance Groups: A Motivation Analysis. *Psychology Bulletin*, Vol. 113, No. 1, pp. 67-81.

4 Kerr, N.L. 1983. Motivation Losses in Small Groups: A Social Dilemma Analysis. *Journal of Personality and Social Psychology*, Vol. 45, pp. 819-828. Cited in Shepperd, J.A. 1993. Productivity Loss in Performance Groups: A Motivation Analysis. *Psychology Bulletin*, Vol. 113, No. 1, pp. 67-81.

it". And the less essential their effort, the lower their motivation.⁵

Social Loafing, which also refers to motivation drops with group size, can occur when individual contributions cannot be identified.⁶ However, the Free-Rider Effect can be sustained even when all members' contributions are fully identifiable.⁷

A study by Kerr and Bruun revealed that the particular members of the group and the task itself can promote Free-Rider behaviour. For example, each member will have his or her own ability, which may influence motivation for a particular task's demands.⁸

Other examples that demonstrate when the Free-Rider Effect can take hold include:

1. When the number of members in a group exceeds the number of tasks. This is because member motivation is lower than when the number of tasks exceeds the number of members.⁹
2. When an emergency or crisis occurs and it is perceived there are a sufficient number of bystanders. This can be because the diffusion of responsibility reduces the probability of an individual intervening.¹⁰

5 Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

6 Latanè, B., Williams, K., and Harkins, S. 1979. Many Hands Make Light the Work: The Causes and Consequences of Social Loafing. *Journal of Personality and Social Psychology*. Vol. 37, pp. 822-832. Cited in Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

7 Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

8 Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

9 Barker, R., and Gump, P. 1964. *Big School, Small School: High School Size and Student Behaviour*. Stanford, Calif.: Stanford University Press; Wicker, A.W. 1969. Size of Church Membership and Members' Support of Church Behavior Settings. *Journal of Personality and Social Psychology*. Vol. 13, pp. 278-288. Cited in Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

10 Latanè, B., and Darley, J. 1970. *The Unresponsive Bystander: Why Doesn't He Help?* New York: Appleton-Century-Crofts. Cited in Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

3. When effective performance does not depend on an individual's effort, reducing the likelihood of task-relevant behaviour.¹¹
4. When an individual has significant experience of the task at hand, and therefore is possibly better able to recognise opportunities to Free-Ride.

The Sucker Effect

In contrast, the **Sucker Effect** occurs when hard-working individuals determine other group members may Free-Ride on their efforts. They therefore deliberately reduce or withhold their effort to restore equity and avoid becoming a “sucker”.¹²

Sources of low motivation and output

More specifically, low motivation and output in performance groups can stem from:¹³

1. No perceived value or benefit to contributing or working hard. Individuals believe the group product is unimportant or that their effort will go unnoticed and therefore unrewarded.
2. No perceived contingency between working hard and achieving a desirable outcome. Individuals believe their personal efforts are unnecessary in achieving the group product. They therefore feel no obligation to work hard and choose to Free-Ride instead.
3. The perceived physical and/or psychological costs of

¹¹ Seligman, M. 1975. Helplessness. San Francisco: Freeman. Cited in Kerr, N.L., and Bruun, S.E. 1983. Dispensability of Member Effort and Group Motivation Losses: Free-Rider Effects. *Journal of Personality and Social Psychology*, Vol. 44, No. 1, pp. 78-94.

¹² Orbell, J., and Dawes, R. 1981. Social Dilemmas. In G. Stephenson & H.H. Davis (Eds.), *Progress in Applied Social Psychology*, Vol. 1, pp.37-65. New York: Wiley. Cited in Shepperd, J.A. 1993. Productivity Loss in Performance Groups: A Motivation Analysis. *Psychology Bulletin*, Vol. 113, No. 1, pp. 67-81.

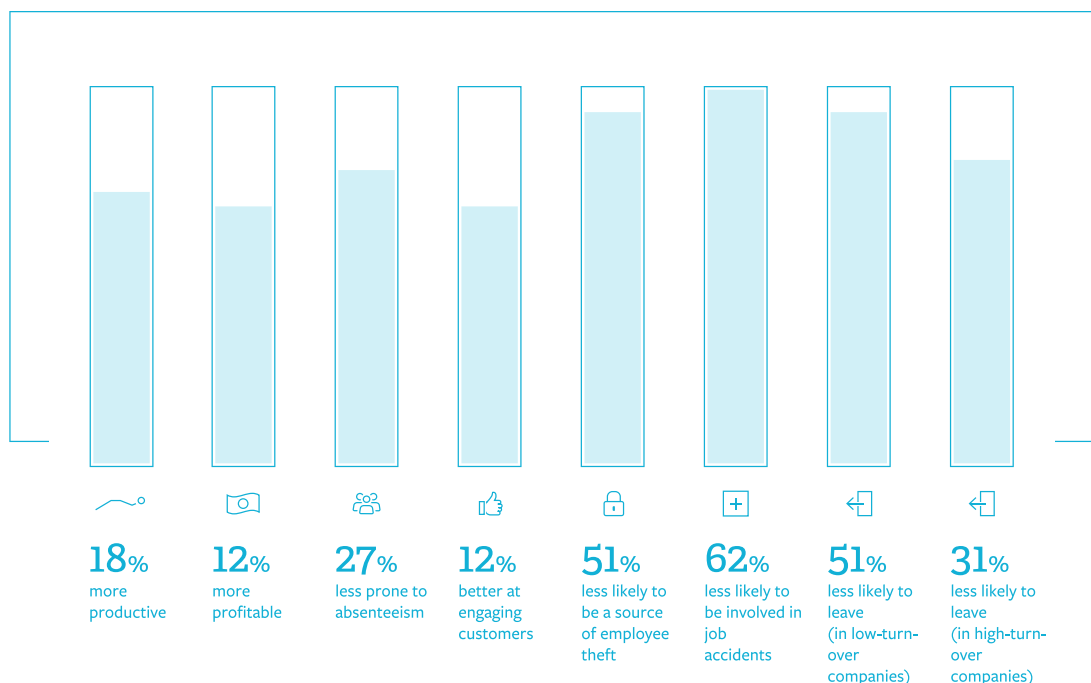
¹³ Kerr, N.L. 1983. Motivation Losses in Small Groups: A Social Dilemma Analysis. *Journal of Personality and Social Psychology*, Vol. 45, pp. 819-828. Cited in Shepperd, J.A. 1993. Productivity Loss in Performance Groups: A Motivation Analysis. *Psychology Bulletin*, Vol. 113, No. 1, pp. 67-81.

contributing are greater than the benefit of achieving the group product. Examples of physical costs include use of personal resources and lost opportunities. Examples of psychological costs include the equity of contributing from being a “sucker”.

The importance of motivation

Crucially, employees who are motivated are also engaged. An engaged workforce is important because there is a significant correlation between employee engagement and business performance. Companies with the most engaged employees report revenue growth at a rate two-and-a-half times greater than their competitors with the lowest level of engagement.¹⁴ Moreover, a 15% improvement in employee engagement equates to a 2% improvement in an organisation’s operating margin.¹⁵

Other research by O.C. Tanner shows that engaged staff are:¹⁶



¹⁴ Hay Group. 2010. Giving Everyone the Chance to Shine.

¹⁵ O.C. Tanner. 2008. Global Recognition Study.

¹⁶ O.C. Tanner. 2009. Improving Staff Engagement: A Practical Toolkit.

Overcoming low group motivation and output

As a means of increasing group motivation and output, expectancy theory shows that individuals can be expected to work towards an outcome if

1. They value the behaviour or outcome and
2. They perceive a contingency between their behaviour and the outcome.¹⁷

On the basis of this theory there are three broad categories of solutions to the problem of low productivity in performance groups, with one solution relating to each of the three sources outlined on page 6 (Table 1).¹⁸

Table 1: Low productivity - sources and solutions

| Low productivity sources | Low productivity solutions | Solution examples |
|--|---|---|
| <i>No perceived value or benefit</i> to contributing or working hard | <i>Provide incentives for contributing</i> to increase the associated value or benefit | <p><i>External individual incentives</i>, such as economic and social rewards</p> <p><i>Internal individual incentives</i>, including ensuring the individual personally values good performance and finds the task interesting</p> <p><i>External collective incentives</i>, such as providing a powerful economic or social incentive for collective performance</p> <p><i>Internal collective incentives</i>, including ensuring the individual personally values the success of the group</p> |
| <i>No perceived contingency</i> between working hard and achieving a desirable outcome | <i>Increase contingency</i> between personal efforts and the achievement of the desired outcome | <p><i>Make contributions challenging</i> and therefore unlikely to be duplicated by fellow workers</p> <p><i>Make contributions unique</i>, therefore necessitating each individual's contribution</p> <p><i>Make contributions essential</i> to achieving good collective performance</p> |
| <i>Perceived costs of contributing are greater</i> than the benefit of achieving a desirable outcome | <i>Decrease or eliminate the costs</i> of contributing | <p><i>Decrease the physical costs</i>, such as depletion of personal energy/resources or the opportunity cost of participating</p> <p><i>Decrease the psychological costs</i>, including removing the risk of becoming a "sucker" and enforcing punishment for Free-Riding</p> |

Specific solutions for increasing group motivation and output

From the solutions for low group productivity covered in Table 1, the discussion below provides further information about how to implement some of the most important solutions for increasing group motivation.¹⁹

External individual incentives

There is extensive evidence that individuals will generally exert greater effort when they expect their efforts to be rewarded. Such individual rewards may be economic, such as money or prizes, or social, including liking, approval or status among employees. Crucially, even the potential for gaining social rewards or avoiding social sanctions can be a motivation for greater effort.

The concept of social rewards is closely linked to gamification techniques which leverage and reward people's natural desires for achievement, competition and status. Gamification rewards are visible to others and include the completion of progress bars/charts and the achievement of badges.

For economic and social incentives to be effective, individual contributions must firstly be identifiable and secondly open to evaluation. If individual contributions cannot be identified, the risk of Free-Riding or individuals withholding effort to avoid becoming a “sucker” is high.

Most importantly, when individual effort can be identified, it can be evaluated either positively or negatively against expected performance – and it is the evaluation concerns which will elicit greater effort. If peers cannot evaluate personal contributions, the individual will have no motivation to exert high effort.

Internal individual incentives

Internal incentives are related to self-reward and desire to achieve a favourable self-evaluation. These incentives are present when the individual

¹⁹ Shepperd, J.A. 1993. Productivity Loss in Performance Groups: A Motivation Analysis. *Psychology Bulletin*, Vol. 113, No. 1, pp. 67-81.

either finds the task interesting or personally values performing well.

Competition can also be a powerful incentive for greater individual effort with many individuals naturally seeking to outperform their colleagues. Performing better can be self-reinforcing, reinforced externally or both.

To value good performance, the individual must be able to personally evaluate his performance against an objective standard, social standard or personal past performance. In turn, this will increase his motivation to work hard.²⁰

Decreasing the psychological costs of contributing

There are two key ways to reduce the psychological costs of contributing to group performance:

- 1. Replace collective goals with individual goals.** This will eliminate any social dilemma because individuals can no longer choose between their self-interests and the collective interests of the group. Interestingly, there is evidence that individuals working towards a collective goal will opt for an individual goal if given the opportunity. In doing so, they effectively eliminate the risk of becoming a “sucker” to Free-Riding group members.
- 2. Provide assurance that Free-Riders will be punished.** This will give hard-working individuals with high motivation and output the confidence that they will not become a “sucker”. This method can also effectively prevent Free-Riding, as individuals are aware their contribution is being monitored and evaluated with possibly negative economic or social consequences.

To be effective, both of the above solutions for decreasing the psychological costs of contributing require individual contributions to the task to be identifiable.

²⁰ Shepperd, J.A. 1993. Productivity Loss in Performance Groups: A Motivation Analysis. *Psychology Bulletin*, Vol. 113, No. 1, pp. 67-81, Harkins, S.G., and Szymanski, K. 1989. Social Loafing and Self-Evaluation with an Objective Standard. *Journal of Experimental Social Psychology*. Vol. 24, pp. 354-365.

The role of software in improving group motivation and output

So far this white paper has demonstrated that not only are there multiple sources of group motivation loss, but also multiple ways to manage it. The key solutions for increasing group motivation and output include:

- Ensuring individual contributions can be identified by everyone
- Ensuring individual contributions can be evaluated by everyone
- Providing performance related economic or social rewards
- Creating competition among colleagues
- Setting individual goals, as opposed to collective

However, most organisations will find effectively implementing any of the above solutions unaided difficult and time consuming. The adoption of **social performance management software** therefore offers a useful solution.

What is social performance management software?

With the advent of the social media revolution, the applications of using social-based mechanisms to communicate, collaborate and report are being increasingly recognised. Social performance management software combines the benefits of performance management software with integrated social

“Social performance management software combines the benefits of performance management software with integrated social technology to create a truly social yet results focused workspace.”

technology to create a truly social yet results focused workspace.

As with other social platforms such as Facebook, the defining feature of social performance management software is user generated content. Staff can create online forums where they can share ideas, discuss figures, agree actions and monitor performance, wherever and whenever. Discussions and searches can be facilitated and tracked using familiar @Identifying and #Tagging.

Complete visibility and clarity ensures everyone knows what is expected of them. At its best, social performance management software allocates team members duties which define what is required to achieve success. It then maintains a constant dialogue, updating progress, highlighting problem areas and feeding back information on key performance indicators (KPIs).

Individual contributions can be identified and evaluated by both managers and team members. This in turn facilitates performance related rewards and as a by-product, naturally creates competition among colleagues. By default, social performance management software ensures Free-Riding is no longer possible and hard-working team members do not have to withhold their effort over concerns of falling victim to the Sucker Effect.

The power of Social Discipline

Social performance management software is associated with achieving **Social Discipline**, a powerful psychological management tool that combines acting in accordance with rules with the effects of social influence and responsibility to ensure compliance.

A defining feature of Social Discipline is the practice of publicly making and tracking the progress of promises to deliver a product or service. In turn, everyone is clear on what they have to do, what others are doing and publicly held to account for their actions. Keeping promises and contributing fairly and productively are fundamental to Social Discipline.²¹

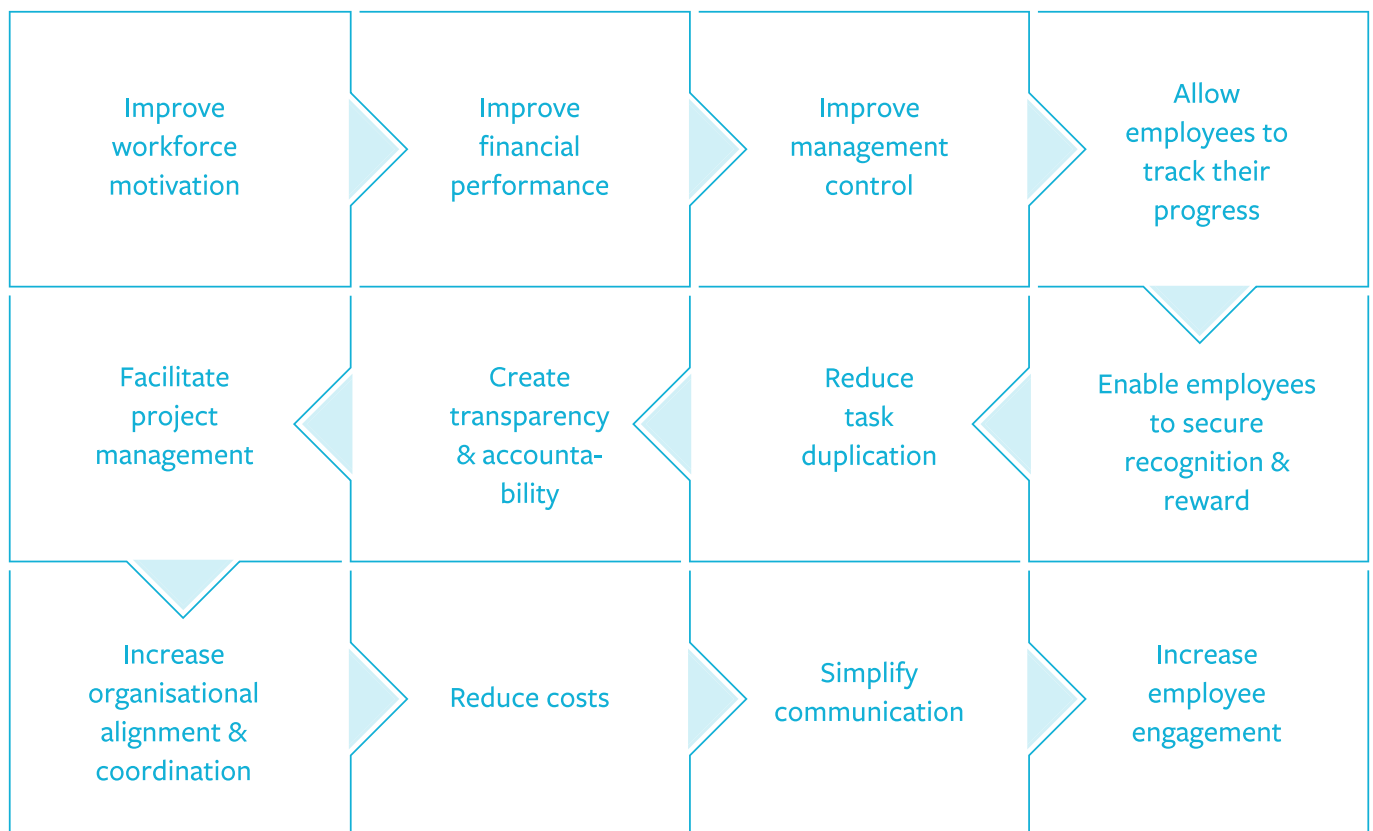
²¹ Samewave. 2013. The Social Discipline Advantage: How to Create and Use Social Discipline to Increase Engagement, Productivity and Focus.

What is performance management software?

Performance management software compares actual to expected or desired results to determine any performance improvement zones. It focuses on areas including productivity, efficiency and progress to deliver several key benefits (Figure 1). The software can be used to monitor and optimise effectiveness at an individual and collective level.

Benefits of performance management software

Figure 1: Benefits of performance management software



Key features of effective social performance management software

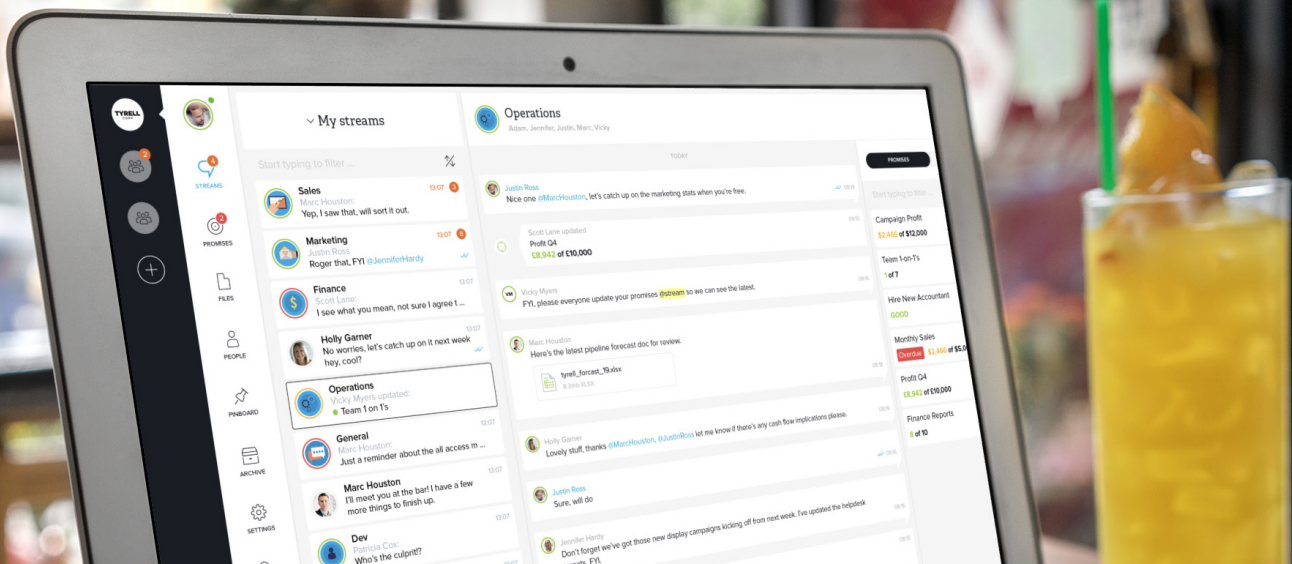
To effectively eliminate the Free-Rider and Sucker Effects in group performance, social performance management software should offer the following key features:

| Feature | Function | Benefit |
|-------------------------------------|--|---|
| <i>Targets</i> | Tracking all the numbers that matter, from group turnover to project specific expenses, including actual versus budget | Short-term performance can be easily identified and evaluated, allowing under performance to be sanctioned, over performance to be rewarded and competition among colleagues to naturally take hold |
| <i>Goals</i> | Tracking the progress of one-off objectives, projects or pledges | Long-term performance can be easily identified and evaluated, allowing under performance to be sanctioned, over performance to be rewarded and competition among colleagues to naturally take hold |
| <i>Checklists</i> | Creation of personalised lists of important tasks which are to be done on a regular basis | Ensures all team members are fully aware of all their personal responsibilities so they cannot “forget” with the intention of Free-Riding |
| <i>Management reports</i> | Automatic report generation at frequencies pre-set by the user | Updates everyone at regular intervals, ensuring performance can be identified and evaluated. The results of the report can determine whether to implement economic and/or social rewards or sanctions |
| <i>Social</i> | Inclusion of familiar social features, such as chat and group discussions | Enables remote, tracked and carefully orchestrated collaboration across the entire organisation, regardless of time or location |
| <i>Social Discipline</i> | Publicly declaring goals, roles and responsibilities. Publicly sharing individual and collective progress | Keeps everyone on track. Transparency and peer accountability ensure Free-Riding is eliminated and there is no risk of becoming a “sucker”. Maximises opportunities for economic and/or social rewards or sanctions |
| <i>Social reward / gamification</i> | Socially rewarding individual effort | Stimulates natural competition, a sense of achievement and in turn engagement among colleagues |
| <i>Full data integration</i> | Collating all of an organisation's data from mainstream sources such as Salesforce, Sage, Google Apps and Microsoft Office 365 | Maintains a fully informed, integrated and unified platform which is easy to use and eliminates inconsistencies, confusion and duplication |

With social performance management software in place, group motivation and output can be almost automatically maximised.

Introducing Samewave

Samewave is a social performance management app specifically designed to maximise group motivation and output.



Samewave provides:

✓ Clarity

A single integrated view of all data.

✓ Direction

Ultra-clear data reports, agendas and to-do lists delivered in an instant.

✓ Consensus

Private and group chats for constant dialogue between team members.

✓ Momentum

Team members are reminded to update their goals.

✓ Connectivity

Instant updates to all your devices.

✓ Simplicity

Simple and intuitive to use.

✓ Focus

Removes the need for the majority of face-to-face management meetings.

✓ Security

With bank grade security and enterprise level cloud hosting, your data is safe and secure at all times.



Samewave – the business benefits

Samewave transforms employee responsibility and as a direct result increases engagement, productivity and focus. It is specifically designed to prevent Free-Riding and in turn, ensure high output team members do not withhold their effort in fear of becoming a “sucker”. The business benefits of Samewave can be summarised as follows:

➔ Responsibility and accountability

Setting targets, prioritising goals and measuring performance is simpler than ever with Samewave. Everyone receives regular snapshots of the goals assigned to them, while clear reports show how each individual is performing.

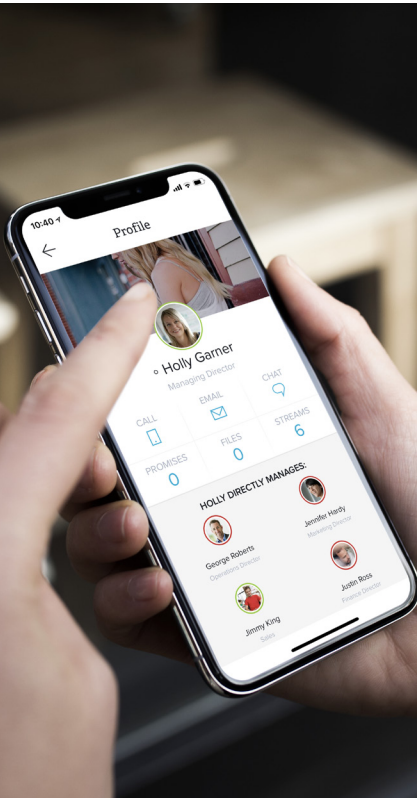
There is no question about who is responsible for what. Task-relevant behaviour is an absolute necessity because performance is dependent on each individual’s effort. By maintaining responsibility and accountability, economic and social rewards and sanctions can be easily implemented, allowing individuals to determine a contingency and benefit between working hard and achieving a desirable outcome.

➔ Clarity and focus

With Social Discipline at its core, Samewave ensures everyone knows what’s expected of them, and what to expect from others. It even creates some friendly competition. Crystal clear reports and KPI graphics can be instantly created to share information with colleagues, investors, directors, and anyone else who needs information. Importantly, the clarity among a very large, diversified and geographically dispersed group is as high as it is with a small localised group.

➔ Unrivalled management

Samewave makes management automatic. Chasing and monitoring colleagues becomes automated. Files, discussions and business activity can be accessed from anywhere, and smart permissions push reports and figures around the business faster than ever before. Samewave makes management of groups and individuals fast, simple and highly effective.



➔ Impossible to ignore or forget

Social Discipline is in Samewave's genes. Daily reminder alerts of the tasks, targets and projects at hand keep everyone seamlessly on track with no excuses for Free-Riding.

➔ Rich discussions and knowledge sharing

Samewave discussions capture and record everything. Smart social features make sure whoever needs to know about it finds out about it. Genius ideas needn't go to waste or get lost in the email jungle, and there's no need to hold a time consuming old-fashioned meeting. Samewave makes it easier and reduces the perceived costs of contributing to group performance.

➔ Complete integration

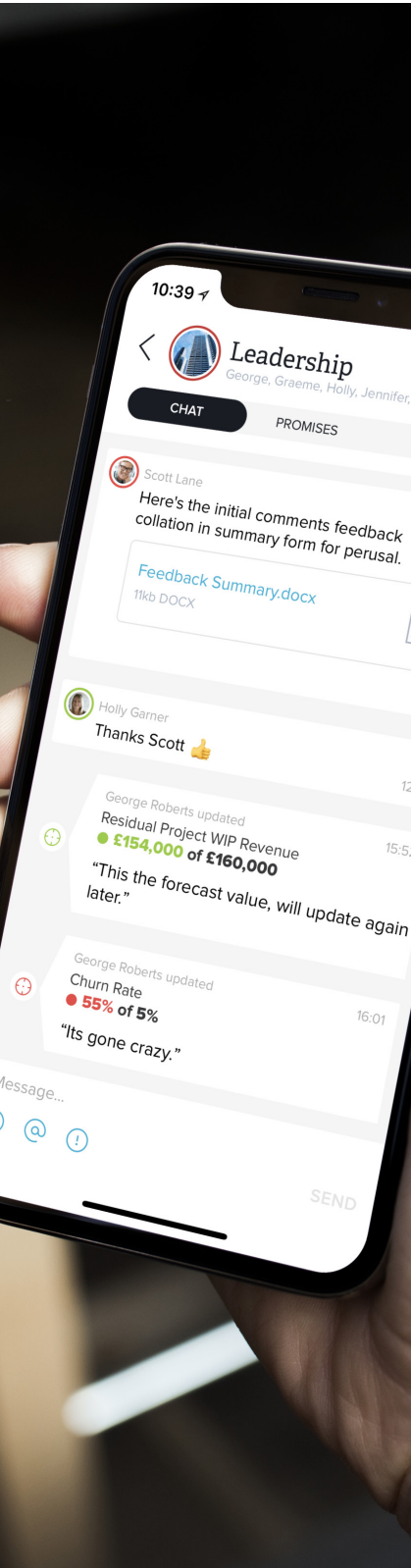
Samewave brings together and organises people and data – efficiently and simply. Groups known as “Streams” facilitate project-specific discussions while cloud data storage means projects, files, conversations, reports and goals can be accessed from anywhere with an internet connection. Group performance and output can be maximised with almost no coordination effort.

➔ Easy to use

Easy to use software will naturally have a higher take up. Samewave draws its DNA as much from Facebook and Twitter as it does from Microsoft Office. Every pixel has been hand crafted to deliver a simple but powerful user experience. Beautiful design, intuitive data visualisation and extensive community tools all ensure a captivating experience.

➔ Easy to deploy and scale

Samewave is cloud-based software so it can be deployed in just 10 minutes – with no need for new hardware or expert IT support. Of course, if help is needed, an award-winning support team and multi-format tutorials are always on hand. What's more, because the software is delivered over the internet with all data stored in the cloud, it is easy to scale to coincide with growing demands.



→ Robust security

The application and data is hosted in a secure infrastructure, with optional two factor authentication and strong password rules. Cloud storage additionally means all data can be rigorously backed up for safe keeping.

Visit www.samewave.com
and sign up for free

