

Use rewards effectively to boost creativity, study suggests

June 18 2021, by Jeff Falk



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To boost employees' creativity, managers should consider offering a set of rewards for them to choose from, according to a new study by management experts at Rice, Tulane University, the University of North Carolina at Greensboro and National Taiwan Normal University.

The study, co-authored by Jing Zhou, the Mary Gibbs Jones Professor of Management and Psychology at Rice's Jones Graduate School of Business, is the first to systematically examine the effects of [reward](#) choice in a field experiment, which was conducted in the context of an organizationwide suggestion program. An advance copy of the paper is published online in the *Journal of Applied Psychology*.

"Organizations spend a lot of resources and exert a great deal of effort in designing incentive schemes that reward the employees who exhibit

creativity at work," Zhou said. "Our results showed that the effort may be a bit misplaced. Instead of discovering one reward type that is particularly effective at promoting creativity, what is more effective is to provide the employees with the opportunity to choose from several reward types, if they submit one or more ideas that are among the top 20% most creative ones."

Workers in the study were given a range of options: a [financial reward](#) for the individual employee or their team, a self-discretionary reward such as getting priority to select days off, or a donation the company made to a charity selected by the [employee](#). Those choices had positive, significant effects on the number of creative ideas employees generated and the creativity level of those ideas, Zhou and her co-authors found.

The researchers arrived at their findings by conducting a quasi-experiment at a company in Taiwan over the course of several months. Then they conducted a second experimental study that included employees from 12 organizations in Taiwan to replicate the first study's results and compared the results with a control group.

The studies also found that rewards aimed at helping others, such as making a donation to a charity, might be especially powerful. But for less-creative employees, alternative rewards that benefit those in need might actually lower creativity and should be avoided, the authors said.

The researchers also found that the choice of rewards fostered creativity by raising the employees' belief in their ability to be creative. Alternative rewards also had a powerful impact on boosting the [creativity](#) of employees who earlier had scored high on an assessment of creative personality characteristics.

More information: Jing Zhou et al, Enhancing employee creativity: Effects of choice, rewards and personality., *Journal of Applied*

Psychology (2021). [DOI: 10.1037/ap10000900](https://doi.org/10.1037/ap10000900)

Provided by Rice University

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