## Organizational Behaviour and Human Resources Division Seminar Series

# 'Money Hungry: Performance Incentives Increase Desire for Rewards'

Friday, November 10, 2017 | 10:00-11:30 AM Henry Angus 454

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### **Abstract**

The current research examines how exposure to performance incentives affects one's desire for the reward object. We hypothesized that the flexible nature of performance incentives creates an attentional fixation on the reward object (e.g., money), which leads people to become more desirous of the rewards. Results from 5 laboratory experiments and 1 large-scale field study provide support for this prediction. When performance was incentivized with monetary rewards, participants reported being more desirous of money (Study 1), put in more effort to earn additional money in an ensuing task (Study 2), and were less willing to donate money to charity (Study 4). We replicated the result with nonmonetary rewards (Study 5). We also found that performance incentives increased attention to the reward object during the task, which in part explains the observed effects (Study 6). A large-scale field study replicated these findings in a real-world setting (Study 7). One laboratory experiment failed to replicate (Study 3).

Keywords: attention, desire, money, performance incentive, reward

#### <u>Bio</u>

Julia D. Hur is a doctoral candidate at Kellogg School of Management, Northwestern University. She graduated from Yonsei University with a B.A. in Psychology. Her research explores goals and motivation in both individual and organizational levels. Specifically, she studies the unexpected consequences of various contexts that incentivize performance, including reward structures, organizational environments, and broader social systems, employing a multi-method approach with lab experiments, field studies, archival data, and surveys. Her work has been published, or undergoing revision, at the *Journal of Personality and Social Psychology, Psychological Science, Management Science, Journal of Consumer Research*, and the *Academy of Management Proceedings*.

