

## Previous Newsletters:

[ISSUE 13 – OCTOBER 2013](#)  
[ISSUE 12 – SEPTEMBER 2013](#)  
[ISSUE 11 – JULY 2013](#)  
[ISSUE 10 – JUNE 2013](#)

## Interesting Articles:

**A big question mark in the Islamic finance industry.** Is Islamic finance reaching the poor? Apparently, it is a matter of pleasure that the global volume of the Islamic finance industry has crossed the USD1.3 trillion threshold, which is definitely providing the best and compatible sources of finance with interest-free modes...[Read More](#)

**Is debt a dangerous institution?** In his latest book – now an international bestseller – economist David Graeber analyses the role of debt in the evolution of human history. Focusing on the morality of debt, the book shows a comeback of anarchist positions, reflecting a growing frustration with the institutions of the state and the market...[Read More](#)

**Central Bank's new mortgage rules will boost risk profiles of UAE lenders and developers.** The Central Bank's new mortgage rules will boost the long-term credit risk profiles of UAE banks and property developers, says Standard & Poor's...[Read More](#)

## Assignments Handled:

**Chief Accountant / Accounts Manager** – IT/Telecom

**HR Manager** – FMCG

**Trade Marketing Manager** – FMCG

**Head of Supply Chain – MEA** – IT/Telecom

## Find Us:

[BMMC Company Profile](#)

[BMMC Professionals](#)

[BMMC Management Recruitment](#)

[BMMC Talent Mapping](#)

[BMMC Distributor Search](#)

[BMMC Business Finance Management](#)

[BMMC Values](#)

[Candidate's Corner](#)

[Contact Us](#)

Follow Us:



[www.bmdubai.com](http://www.bmdubai.com)

Dear All,

**Welcome to our 14<sup>th</sup> monthly newsletter!**

This month, we will be covering motivation with its two main parts: intrinsic and extrinsic. While motivation is being used in daily usage to describe why a person does something, psychologists have proposed a number of different theories including drive theory, instinct theory and humanistic theory. Furthermore, there are three major components to motivation: activation, persistence and intensity. Activation involves the decision to initiate a behavior, such as enrolling in a psychology class. Persistence is the continued effort toward a goal even though obstacles may exist, such as taking more psychology courses in order to earn a degree although it requires a significant investment of time, energy and resources. Finally, intensity can be seen in the concentration and vigour that goes into pursuing a goal.

Next month, we will talk about importance of body language in communication.

Best Regards,

Zoran Marinkovic  
 Managing Partner – BM Management Consultancies

### So what about Extrinsic vs. Intrinsic Motivation: Which Is Best?

Different types of motivation are frequently described as being either extrinsic or intrinsic. **Extrinsic motivations** are those that arise from outside of the individual and often involve rewards such as trophies, money, social recognition or praise. **Intrinsic motivations** are those that arise from within the individual, such as doing a complicated cross-word puzzle purely for the personal gratification of solving a problem. Researchers have also found that the two type of motivation can differ in how effective they are at driving behaviour.



On one hand, a number of studies have demonstrated that offering excessive external rewards for an already internally rewarding behaviour can actually lead to a reduction in intrinsic motivation. However, extrinsic motivation can be beneficial in a number of situations: external rewards can induce interest and participation in something the individual had no initial interest in, extrinsic rewards can be used to motivate people to acquire new skills or knowledge and once these initial skills have been acquired, people may then become more intrinsically motivated to pursue

the activity, and external rewards can also be a source of feedback, allowing people to know when their performance has achieved a standard deserving of reinforcement. Nevertheless, extrinsic motivators should be avoided in situations where the individual already finds the activity intrinsically rewarding and offering a reward might make a "play" activity seem more like "work."

On the other hand, while most people would suggest that intrinsic motivation is best, it is not always the case in each and every situation. In some cases, people simply have no internal desire to engage in an activity. Excessive rewards may be problematic, but when used appropriately, extrinsic motivators can be a useful tool. For example, extrinsic motivation can be used to get people to complete a task in which they have no internal interest.



Researchers have arrived at three major conclusions with regards to extrinsic rewards and their influence on intrinsic motivation: offering unexpected external rewards typically do not decrease intrinsic motivation, offering positive praise and feedback when people do something better in comparison to others can actually improve intrinsic motivation, and intrinsic motivation will decrease, however, when external rewards are given for completing a specific task or only doing minimal work.



As you have seen, extrinsic motivation and intrinsic motivation are both important ways of driving behavior. In order to comprehend how these can be best utilised, it is important to understand some of the key differences between the two types of motivation including the overall impact that each can have on behavior.

### Meet BM Management Consultancies

BM Management Consultancies propose a turnkey solution for business set up from the initial brainstorming support to define the best strategy to penetrate and set up the GCC market to the legal set up via known and reputable Legal firms implemented in the region, choice of local partners if required. Furthermore BM Management Consulting aims to accompany Clients through the set up phase with support such as advice on office rental following the defined strategy, subcontractors suggestions for IT/communication and other needs. At last, all Finance set up and first key staff hiring can be provided by BM Management "in house" services.

[Click Here to download our E-brochure](#)