What if money was no longer the most valuable asset a company could offer an employee?

What is the most valuable asset a company can give an employee?

Historically the answer was simple –money. That's why the HR function of most companies goes to such extreme lengths to design pay packets (bonuses, team based rewards, stock options etc) and to decide through antiquated performance management systems who gets paid what. Indeed, it's why they've been persuaded that senior leaders really are worth up to 200% more than the pay of an average employee.

Yet we have known for some time that although pay might indeed be a valuable asset for an employee – it's unlikely to be the driver for their motivation. Indeed years of research have shown that this valuable asset turns out more often to be a source of dissatisfaction rather than a motivator. Most people don't work harder, or more creatively or cooperatively because they are paid more.

So recently the search has been on for more 'intangible assets' that could be really valued by employees. Perhaps it's the opportunity to work more flexibly, or the chance to work for a boss that likes you, or to work in a convivial open plan office that employee's value. And indeed perhaps it's this combination that results in employees being engaged rather than disengaged.

I think – to use a simple metaphor – we are barking up the wrong tree. Let me explain. Over the last couple of years my colleague, the economist Andrew Scott and I have been asking a simple question 'What happens when most people live a 100 years'. It's been a fascinating exploration. One undeniable truth is that if you live to 100 then you will probably need to work into your 80s. Now there is no doubt that over the course of a long working life, money is indeed crucial – no one wants to look forward to an old age lived in poverty. So money is a valuable asset that a company can give to an employee.

However, across a long life this tangible asset, whilst important, has to be balanced by equally important intangible assets. It seems to me that chief amongst these crucial intangible assets is the type of work an employee is given to perform. Work that is valuable – both now and as a hedge against the future has three crucial elements:

- It is interesting and allows workers to engage their mind and creativity;
- It has developmental potential – particularly to develop capabilities that are 'portable' in the sense that they can be used beyond the current job;
- It is non-routine so is unlikely to be substituted in the short term by robotics or Artificial Intelligence

For the sake of simplicity let's call this 'good work'

Now let's play a mind game. Let's assume that a leader in a corporation acknowledges that the intangible asset of 'good work' is as valuable to an employee as the tangible asset of money. If this were the case, what would we expect to see happening within the corporation? Here are five ideas:

- We would expect jobs to be analysed with regards to the extent that they are composed of tasks that are interesting, developmental and non-routine. We could even imagine that these job characteristics are rated against a common currency – let's call this unit a 'tang'.
- So when an employer is advertising a job, they are able to show both the financial assets the job is valued at (salary, bonus, stock options etc) and also its 'tang' assets (interest, developmental potential, non-routine)
- When an employee is deciding on whether to take a job, they can balance the tangible and intangible assets it creates. They can decide, for example, that they are prepared to take a higher 'tang' rated job at a certain point in their career, even if the salary is lower. Or indeed take a higher paid job whilst acknowledging that the 'tang' value is low.
- It could be that managers who are particularly skilled at designing jobs for their team that have a high 'tang' value are celebrated for this sculpting skill.
- We might expect that if the 'tang' value of a job falls below a certain level then the whole job has to be re-designed to increase the 'tang value' by adding tasks that are interesting, developmental or non-routine. This re-design could be initiated by the manager, or indeed by the worker who is performing the job and who is encouraged to broaden the scope of the job to envelope more 'tang' rich activities.

Right now it is still money that dominates the negotiated relationship between an employee and employer. Let's widen the conversation to include an equally important asset – good work. Perhaps by understanding the value of work with as much finesses as we currently understand the value of reward systems we can begin to give employees a better choice about the deal they want to strike.

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