

There Were No Mice Available? Testing Noncompetes And Motivation In Settings That Don't Sound Much Like Employment

February 17, 2014 | [Non-competes And Trade Secrets, Labor And Employment](#)



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I have expressed skepticism [here](#) of academic studies about employers checking social media activity of job applicants. The studies we have seen just don't seem to demonstrate much to me. Likewise, when I recently saw the headline, "Noncompete Agreements Make Employees Less Motivated," my antenna went up. We can certainly imagine scenarios where noncompetes make employees less motivated, but I was curious how somebody might have gone about reaching that conclusion.

That led me to [this post](#) on the *Harvard Business Review* website, which explained the testing process:

We recruited 1,028 participants to complete an online task for pay. Half of them were asked to do a purely effort-based activity (searching matrices for numbers that added up to 10), and the other half, a creative activity (thinking of words closely associated with other words). Some subjects in each group were placed under restrictions that mimicked a noncompete agreement: They were told that although they would later be invited to perform another paid task, they'd be barred from accepting the same type of task. The remaining subjects were used as a control group and given no restrictions. Sixty-one percent of the subjects in the noncompete group gave up on their task (thus forgoing payment), compared with only 41% in the control group. Among the subjects who completed the matrix task, people with noncompete conditions were twice as likely to make mistakes as people in the control group. Those who were restricted also skipped more items and spent less time on the task—further indications of low motivation. All participants who completed the word-association task, regardless of whether they were under a noncompete restriction, performed similarly in terms of errors, skipped items, and time spent. We weren't surprised by that finding: Prior research had shown that in creative endeavors, people are primarily driven by intrinsic motivations. So it made sense that subjects working on the word associations would be less affected by a negative external incentive than people working on math tasks would be.

OK employers – got that? Me neither, at least not as having much to do with actual jobs and the decisions to accept one with a noncompete rather than, for example, being unemployed. It would certainly be useful information for

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employers to be able to quantify for their particular company and industry the pros and cons of noncompetes. For the time being, I think employers still need to make that decision based on the collective experience and judgment of their management and legal teams.