

HOW TO DEVELOP AN INCENTIVE PROGRAM

Gregory P. Smith

Disney World has over 240 reward and incentive programs in place. All good businesses have at least one or two. Incentive programs serve a specific purpose. Some programs show appreciation to employees. Other programs are designed to improve performance and create behaviors management would like to see. No matter what type of program you have or want--designing the program is critical to its success.

Step 1- Focus on the desired behavior needed or the goal of the program. Begin with a clear, briefly stated objective. Identify what goal/objective needs to be accomplished, for example: improved attendance, longevity, reduced accidents, etc. The objectives must be specific, simple, and obtainable.

Step 2- Select an implementation team. Before advancing, set up a committee of employees to obtain recommendations from the people who actually will be affected by the recognition effort. It is important to bring people in from all levels of the organization. Use an outside expert, if necessary to facilitate the process. Insure the team helps to set the goals, performance factors and are in a position to report any obstacles to improvement.

Step 3- Outline a strategy. Build the foundation of the incentive program carefully. Decide on the methodology to be used. Focus on and detail who is the target audience, and anyone else who will be affected by the program. Decide if the program is going to be employee or management driven. Employee driven programs are the best and easiest to carry out.

Step 4- Decide on the budget. Insure there are adequate resources available before starting the program. A program involving sales personnel will be different and usually costs more money.

Step 5- Set goals. Establish quantifiable and qualitative goals that can be measured. Try to keep it simple as possible. The more complicated, the likely this effort will fail. The goals



need to be fair and reachable for the target group.

Step 6- Pick the type of recognition or award. It is important to select the correct award. The power and influence of the award/recognition is minimized if the individual does not care about receiving it. Spend time discussing with the target group and select an award within the budget framework. You may select several types of awards/recognition and allow the winners to choose.

Step 7- Develop a communication strategy. Most programs fail due to poor communication. How will people know about the program? Decide what form(s) of media to use such as a newsletter, e-mail, and a brochure or in new employee orientation materials? Decide how to remind people through the lifecycle of the program.

Step 8- Implement the program. The best programs are those that the employees run themselves. On the other hand, management directed

programs usually take more energy and enthusiasm to carry out the program. After a couple months, time requirements are reduced. The target group will need consistent and clear communication on the results and measurement of the targeted behavior and performance.

Step 9- Create a meaningful presentation strategy. The presentation strategy is critical to the program's overall success. The best planning can fail miserably if the presentation strategy is poorly executed. Decide on either a formal or informal presentation. Be creative and award recipients with as much fanfare as possible. Involve top executives in the presentation strategy.

Step 10- Improve and change the program. The implementation team's job is not over until they evaluate the program. Did it achieve its objectives and goals? Were the participants motivated to change their behavior? All incentive programs have a limited lifetime. Begin planning for the next program.

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Gregory P. Smith, author of *The New Leader*, and *Here Today Here Tomorrow: Transforming Your Workforce from High-Turnover to High-Retention*. He speaks at conferences, leads seminars and helps organizations develop incentive programs. He leads an organization called Chart Your Course International located in Conyers, Georgia. Phone him at (770)860-9464 or send an email at greg@chartcourse.com. More information and articles are available at <http://www.chartcourse.com>.