Awards and incentive programs can improve performance and motivate employees to increase sales, reduce accidents, boost productivity and give customers better service. In 1994 Baylor University randomly surveyed 1,500 people, asking their opinions regarding employee awards and incentives.

FINDINGS

Survey recipients were asked to rate how most employees feel about awards and incentives. The TRUE statements are those with which respondents agreed; the FALSE statements are those with which they disagreed.

<table>
<thead>
<tr>
<th>TRUE</th>
<th>FALSE</th>
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<tbody>
<tr>
<td>• Employees like awards and incentives.</td>
<td>• Employees are not interested in the awards or incentives, so the program has no impact on their behavior.</td>
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<tr>
<td>• Employees are motivated to win the awards.</td>
<td>• Employees do not believe they have a chance to win an award or incentive, so they don’t even try.</td>
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<tr>
<td>• Employees work hard to win the awards.</td>
<td></td>
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<tr>
<td>• Employees encourage each other to work toward awards and incentives.</td>
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Survey respondents also listed the reasons they believe award and incentive programs sometimes fail. The top two reasons for program failure are:

• Employees are not involved in the planning process – just managers.
• Employees lose interest in programs because they are not given timely feedback.

This indicates that effective employee award and incentive programs will feature high employee involvement during the development of the program and timely feedback to employees during the contest.

REAL WORLD SUCCESS STORY

OBJECTIVE:
To motivate truckers to drive safely and complete their log books correctly.

STRATEGY & EXECUTION:
Drivers at a trucking company’s two terminals in Atlanta and Tampa had a perfect record – perfectly bad. None had ever completed a month without at least one breach of safety or had ever correctly completed their log books. The company felt something had to be done.

Imprinted merchandise was used in an incentive program to improve safety performance. The items selected were high-quality, embroidered wearables intended to draw peer envy.

Eighty driving hours without a nicked fender or traffic ticket earned employees a polo shirt and hat embroidered with the company logo. Continuing safe performance was rewarded with a black satin jacket. By driving safely and correctly completing their log books, drivers could also win watches with the corporate logo.

RESULTS:
Fifteen percent of the drivers qualified monthly for the awards, and the company’s insurance premiums dropped by $250,000.