

What Do They Really Want? Employee Incentive Options



Employee incentives can be a double-edged reward. Employees want them and many organizations want to give them but between the intention and action the results can be lost.

According to a recent survey of 669 Canadian HR professionals there is often an imperfect match between rewards employees seek and those employers are offering. According to Berkely Payment Solution's 2014 Canadian Incentive Trends Survey despite the economic struggles of many organizations employee reward incentives are still being offered across Canada; 69% of organizations reported providing incentives and rewards to motivate their employees.

Here are highlights from the survey:

- 53% of employers provided merchandise with the organizations brand as an incentive and 73% provide retail gift cards or prepaid credit cards
- 59% of respondents reported that they felt they gained a competitive advantage as a result of their incentive program. Those who did not use incentives reported that they were difficult to administer (10%), they had no requirement (26%) and they had no budget (43%).
- The key factors cited when selecting an incentive included: costs (55%), participant satisfaction and positive experience (63%), ability to measure ROI (39%), Flexibility, Easy to administer (44%), level of program engagement (44%), Flexibility (24%) and exposure to product brand (13%).
- Respondents (52%) felt it was difficult to satisfy all generations
- Prepaid cards are highly motivating to employees and HR (35%) felt they had the highest ROI (return on investment)
- Points based catalogue and travel rewards and company merchandise are not all that appealing and in particular not that important to millennials

Although among the most popular of the incentives offered company branded merchandise had a perceived lower return on investment.

Rewarding employees with incentive programs when able is a wise strategy embraced by the majority of Canadian organizations of all sizes. It is useful for an organization to take the step of identifying:

- Which rewards their employees' value

- Why the incentives are being offered
- If the incentives impact employee actions
- How the incentives can be tracked
- How the program managed
- What the bottom line return on investment will provide to the organization

Berkely offered tips that can be useful for implementing an employee incentive program

Tips for Implementing Employee Incentive Rewards

1. ***Ensure the program includes employee-desired rewards.*** When employees receive rewards they truly value the rewards are usually worth the cost.
2. ***Provide rewards immediately.*** Gaps between action and incentive reduce the impact of the rewards. Acknowledging and rewarding employees quickly provides more connection between the positive actions and the rewards
3. ***Reward actions that contribute to company goals:*** Identify core success values of an organization and reward actions that support these values and activities
4. ***Make the rewards program visible throughout the organization:*** Keeping employees informed through ongoing communication helps them focus
5. ***Structure rewards so they are attainable:*** All employees should believe they can attain the program objectives and receive a reward