

Tools and templates



Creating a successful incentive programme

Incentive programmes are a great way to improve employee satisfaction, boost motivation and cultivate loyalty among staff. Get yours right, and you'll not only have a happier, more invested workforce, but your business will see tangible benefits too.

Recognising staff and making them feel valued is easier said than done – there's no one-size-fits-all approach when it comes to incentives. Understanding what your employees will respond to best is key, as is laying out clear terms and measuring the results.

Follow our checklist to create an incentive programme that works for your business.

1. Define your goals

Think about what you want this programme to achieve. Goals can be wide-ranging, from financial benefits like improved revenue to cultural improvements like staff retention. Ask yourself:

- What outcomes do you want the scheme to have on your business?
- How can you align employee incentives with these goals?
- How will you measure the programme's success in attaining these objectives?

2. Get buy-in

Perhaps there are board members you need to convince that an incentive scheme is a worthwhile investment, or maybe the budget has to be signed off by a different department. You also might be relying on management to help promote the scheme. Getting buy-in is crucial, then – so remember to stress all the ways that the programme could benefit the business, including:

- Boosted productivity
- Reduced staff turnover
- Positive company culture
- Improved employee engagement

3. Consider all types of rewards

Each employee will have their own set of priorities and motivations at work, so brainstorm ideas for different types of rewards that could have appeal, including:

- Recognition by way of praise, new job titles or company awards
- Remuneration with salary, bonuses or other cash incentives
- Workplace incentives, such as time off or flexible working allowances
- Gifts
- Experiences

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4. Talk to your employees

To make sure that your incentive programme has the desired effect, involve your staff from the beginning to find out what they want from it and get their buy-in. Remember:

- It's helpful to gauge how valued they feel currently so that you have a foundation to work from – this will help with measuring success, too
- If your employees helped to shape the scheme then they're more likely to be engaged with it
- People's priorities are different so they won't all respond to the same rewards

5. Set out clear measurements of achievement for staff

For employees to be motivated by rewards, they need to be attainable and achievable. So remember to:

- Make the terms simple and understandable
- Avoid subjectivity and ambiguity as much as possible
- Think carefully about measuring less tangible but equally important achievements, such as those not tied to stats or sales figures

6. Promote

Once you've designed your incentive model, the next step is to get staff excited about it. Communication is key – make sure everyone knows all the details and is reminded regularly of what's up for grabs and how they can win it. Some promotional ideas are below.

- Include on the agenda in company meetings
- Share progress updates at regular intervals
- Create leaderboards that are always visible to staff
- Involve everyone in celebrating the winners