

Honors Program

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*Workforce Incentives that Increase the
Efficiency of Organizations' Workforce*

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Abstract

The workforce of organizations is the group of people behind the scenes who work and keep the organizations functioning. However, some workforces are hardly recognized for all the hard work that they do. Businesses need to find incentives for the workforce in order to increase efficiency throughout the organization. The goal of this research is to show different types of workforce incentives promote the efficiency of the organizations' workforce. Also, this research aims to show how other workforce incentives can hinder the efficiency of organizations' workforces. The research is focusing on incentives that are either based on cash, nonmonetary tangible assets, intangible assets, incentive programs, or any combination of the four. There are workforce incentives that can either promote or hinder the efficiency of the organizations' workforce. The research is based on the analysis of previous studies that have been done about workforce incentives. Previous studies are selected based on two criteria: the publication date, if the publication of the study is dated after 1960, and if the study includes one of the previously mentioned incentives. Throughout this research, I believe that any incentive can increase the efficiency of the workforce or hinder it. Overall, the best incentive that I believe would always increase the efficiency of the workforce is the nonmonetary tangible asset of travel.

Introduction

Workforce Incentives that Increase the Efficiency of Organizations' Workforce

The goal of this research is to explore workforce incentives that increase the efficiency of organizations. The researcher became interested with this topic because it pertains to Business Administration, and the researcher has seen and heard about many people who are dissatisfied with their jobs. The researcher has heard people complain that either their day of work was boring and long, or that they dislike their boss. People also complain that they work long hours, and believe that they should be getting more money because they have been working at the business for many years.

The workforce of organizations describes the people behind the scenes who work and keep the organizations functioning. However, some of the workforces behind the organizations are hardly recognized for all the hard work they do. Businesses need to find incentives for the workforce in order to increase efficiency throughout the organization. However, each business needs to find the type of incentive that would work for them to increase the efficiency of their workforce. Also, it has to be the type of incentive a company can afford to give without hurting the company's future. The research is focusing on incentives that are either based on cash, nonmonetary tangible assets, intangible assets, incentive programs, or any combination of the four.

Studies of workforce incentives for increasing organizational efficiency have been conducted by showing the different types of incentives that can be given. *Motivating Today's Workforce: The Future of Incentive Program Design* is one study that focuses on the cash based incentive such as bonuses (Schweyer & Stotz, 2011). Incentive Salience and Improved

Performance is one of the studies conducted where research is focused on other nonmonetary tangible assets such as travel (Jeffery & Adomdza, 2011).

Some companies decided to do a little research of their own to see if their employees were working efficiently; the research was conducted by the CEOs of large company franchises. In the hit TV series "Undercover Boss," bosses of large corporations go undercover within their company's organization in different stores throughout their franchise chain in order to see what can be improved, and what needs improving. The CEOs of the franchises who decided to go undercover realized their businesses were not running as efficiently as they wanted, and had to implement change throughout the franchise. When the bosses finally revealed that they are the CEO of the company, they gave out incentives and other rewards to most of their outstanding employees, people who may have remained unknown if the boss had not gone undercover. It is a life changing experience for the bosses, and it normally ends with the company fixing management so that everyone within the franchise understands the correct procedures in running that part of the franchise.

Some studies have specifically examined incentive based programs, nonmonetary tangible asset, and intangible asset based incentives. The studies examined the effects of each type of incentive on the efficiency of the workforce. It is hard to compare each type of incentive if there are not very many other studies of that incentive type. Whether or not the type of incentive has an effect on the efficiency of an organization still remains in question.

The fact that there is little evaluative research on different types of incentives is unfortunate, because each different type of incentive could prove to be better than another. This information is useful to companies in determining what type of incentive is best to motivate their employees. The organizations would choose the type of incentive that would get the most

efficient work out of them. However, with the little information that is known about the nonmonetary tangible asset incentive, it would be hard for an organization to see if that incentive would be ideal.

One of the goals for this research is to show how certain workforce incentives can increase the efficiency of the organizations' workforce. Also, another goal for this research is to show how other workforce incentives can hinder the efficiency of the organizations' workforce. Overall, this research is important because it may help organizations use the correct workforce incentives that would help promote the efficiency of the organizations' workforce.

Definitions of Key Terms

1. **Asset:** something that is owned by a person, company, or organization, such as money, property, or land (Cambridge Dictionaries Online)
2. **Tangible Asset:** a physical asset whose value can be easily measured, such as cash, property, goods, or machinery (Cambridge Dictionaries Online).
3. **Intangible Asset:** something that does not exist in a physical way, but which has value for a business, such as brand name (Cambridge Dictionaries Online).
4. **Incentive:** something, especially money, that encourages a person or organization to do something (Cambridge Dictionaries Online).
5. **Incentive based programs:** a formal scheme for inducing someone (as employees) to do something (Farlex Inc.).
6. **Fringe Benefit:** an extra thing that is given to you by your employer in addition to your pay but is not in the form of money (Cambridge Dictionaries Online).
7. **Profit-Sharing:** a system by which employees receive a part of the profits of a business (Cambridge Dictionaries Online).

Purpose

The purpose of this study is to understand how workforce incentives improve worker efficiency within organizations and identify ways that workforce incentives can be altered to get the best efficiency out of an organization's workers. The study will focus on businesses that use workforce incentives to keep their workforce running the organizations efficiently. Using previous studies, the researcher will be able to compare different types of incentives that are being utilized within organizations and conclude which type of incentive helps increase the efficiency of the workforce. This information will help organizations understand more about incentives, and what type of incentives that could be used to run their organization efficiently.

Methodology

The strategy that is going to be used during the research process is the literature review approach. The literature review approach is the best strategy to use because it deals with activities, and it fits with workforce incentives that increase the efficiency of organizations' workforce. This thesis is an analysis of past studies using the qualitative research method. There will be literature used from a variety of sources, such as past case studies and journal articles, to help complete the different aspects of the research.

The researcher started his research by using the *Business Source Premier* database. Many keywords and key phrases had been used to acquire his sources. The keywords and key phrases that had been used were incentives, workforce incentives, program based incentives, incentive based programs, employee incentives, incentive types, and types of incentives.

The research then continued his research by using the *Regional Business News* database. The key phrases that were used to acquire his sources from this database included workforce incentives, incentives for the workforce, and workforce motivational incentives. After reviewing

the results from all those search terms, the researcher selected the material that would be used within his research.

Selecting the material was based on: publication date and the type of incentives. The researched articles were selected if the article contained the following types of incentives: cash-based, nonmonetary tangible assets, intangible assets, incentive programs, or any combination of the four. Also, the publication of the selected articles had to be 1960 or newer. Some of the researched articles had been rejected because the articles had either failed the publication or the incentive type criteria of the researcher. The research is based on any organization that has some implemented type of incentive to help increase the efficiency of that organizations' workforce.

The researched information would come together and form an understanding of the importance of workforce incentives that increase the efficiency of organizations' workforce. The thesis would begin with what types of workforce incentives there are, and then it would lead to workforce incentives that promote the efficiency of organizations' workforce. After the workforce incentives that promote the efficiency of organizations' workforce, the researcher would talk about workforce incentives that hinder the efficiency of the work force. The thesis would end with concluding how each type of workforce incentive affects the efficiency of the organizations' workforce, and how to promote the correct incentives to increase the efficiency of the workforce.

Research Questions

1. What types of workforce incentives help organizations to improve workers' efficiency?
2. Are there shared characteristics or themes between successful incentives that work in a number of different work scenarios?

3. Are there workforce incentives that hinder an organization or that have failed to make production more efficient?
4. Are there shared characteristics or themes between failed incentives that occur in a number of different work scenarios?

Review of Literature

Incentives can be termed as benefits from working at a company. Jane Kwon, author of *Employee Benefits in a Total Rewards Framework* (2013) states that benefits make up an important component of the employment relationship. There will be a more positive impact on attraction, retention and engagement within in a company when the organizations think about employee benefits by approaching total rewards within a total rewards framework. This framework would also help manage cost and volatility in a company by having less employee turnover. One way to incorporate incentives is to invest at the bottom of the ladder as Heymann and Barrera state in *How Businesses can Profit from Raising Compensation at the Bottom* (2010). They give the example of Costco, a large store where consumers can purchase products in bulk. In order to keep their employee turnover low, Costco offers higher wages than minimum wage to get their employees to stay with them. Most companies do offer the benefits or incentives to keep their employees happy and willing to come back to work; however, they do not offer both because the words are used interchangeably. Some companies may call lower health insurance premiums benefits, while others call them incentives.

There are companies that have incentive programs to become a healthier person; however, there is often another incentive incorporated with becoming a healthier person in order to entice the employees to take part in the program. Within the article “Companies Offer Workers More Incentives for Health Changes” (Financial Planning Association, 2013),

companies are looking for ways to lower health costs so that they are paying people cash incentives to quit smoking or lose weight for example. A health-related program is an incentive for the employees and the organization. Employees reap the reward for taking part in the program, and organizations can benefit by having lower health insurance costs. Most employees are supporting the incentive program; however, the employees, who do not support this incentive program, have to pay higher premiums. According to David Kaplan, M.D., principal and leader of Towers Perrin's health management consulting practice, employers are using a broad variety of incentives, such as reduced health care contributions, access to preferred plans, cash or cash equivalents, merchandise, raffles, flexible spending accounts, health savings accounts, waivers or reductions of copays, and point-based systems rewards in order to get their employees to participate in their wellness programs (How Regence BC/BS & Other Firms Use Incentives to Increase Wellness Participation, 2007). Ann Arbor had led a study to figure out if cash incentives were more effective for individuals or in-group settings for meeting goals. Within the group of individuals, each person received \$100 per month if they had exceeded or met weight loss goals; however within the groups of five people, they were offered \$500 to be split among the people who had met or exceeded their weight loss goals, with a chance to make more than \$100 dollars if the other people within the group did not meet the goals (Competing against co-workers for cash incentives, 2013). The results of the study had shown that cash incentives were more effective in groups of people rather than in individuals.

Aon Hewitt is the global leader in human resource solutions, and it partners with organizations to solve their most complex benefits, talent and related financial challenges, and improve business performance (Newswire, Aon Hewitt Survey Shows Use of Incentives Grows as U.S. Employers Look to Improve Workforce Health and Productivity, 2012). They had

conducted two surveys in the last two years about offering employees incentives for participating in health and wellness programs or health-related surveys. In their survey from 2012, Aon Hewitt had discovered that the use of monetary incentives had increased over the past year (Newswire, Aon Hewitt Survey Shows Use of Incentives Grows as U.S. Employers Look to Improve Workforce Health and Productivity, 2012), and it was the only type of incentive that was mentioned in the results of the survey. Jim Winkler, chief innovation officer for Health & amp, stated "incentives solely tied to participation tend to become entitlement programs, with employees expecting to be rewarded without any sense of accountability for better health. To truly impact employee behavior change, more and more organizations realize they need to closely tie rewards to outcomes and better results rather than just enrollment" (Newswire, Aon Hewitt Survey Shows Use of Incentives Grows as U.S. Employers Look to Improve Workforce Health and Productivity, 2012). In 2013, Aon Hewitt had conducted a similar survey of the one that they had conducted in 2012. In this survey, employers also reported seeing some positive impact from offering incentives, with more than half indicating they saw improved health behaviors and/or an increase in employee engagement. In addition, almost half said they believe there was a positive impact on employee morale, satisfaction and/or attitudes, and 44 percent saw changes in health risks (Newswire, Aon Hewitt Survey Highlights Important Role of Incentives in U.S. Employers' Efforts to Improve Workforce Health and Performance, 2013). From the results of the surveys that were conducted by Aon Hewitt, monetary incentives is the primary incentive that is used to entice the employees to join the wellness programs.

Regence Blue Cross/Blue Shield (BC/BS) is one of the many companies looking to lower health insurance costs and have implemented incentive based wellness programs to entice their employees to take part and benefit from them. They have implemented a health

reimbursement account, health savings account, Regence Rewards Plus (point-based system), a new healthy food service, and free bike lockers for employees taking part in the wellness programs (How Regence BC/BS & Other Firms Use Incentives to Increase Wellness Participation, 2007). These incentives had increased the participation within the wellness programs. Due to the success of the wellness program, the employer had benefited by lowering their overall health insurance costs, and the employees benefited from Regence Rewards Plus, creating a health reimbursement and health savings accounts, and becoming healthier by just participating in the wellness program. Denise Johnson, Regence's director of human resources, stated "Regence BC/BS had reduced its workers compensation mod factor upon which the premiums are based from 1.45 in 2005 to 1.12 in 2007 because of the decline in the frequency and severity of claims" (How Regence BC/BS & Other Firms Use Incentives to Increase Wellness Participation, 2007).

A hospital in Miami called 577-bed Baptist Hospital is another company trying to promote wellness programs in order to reduce the cost of health insurance and better the lives of their employees. They implemented healthy meals which were less expensive than the less healthy foods, a buy-10-get-one-free value card, parking spots closer to the entrance are given to employees who drive fuel-efficient cars, wellness fairs, and access to a wellness coach (Building a Better Workforce, 2008). Both the employer and employees benefit because they end up paying less for health insurance costs, and the employees also receive additional benefits from the employer so that they would take part in the programs to lower the overall health insurance costs.

Contractors in the construction industry have implemented their own kind of incentive contracts, while using incentives that are commonly used among other businesses such as

bonuses and profit-sharing arrangements. According to Bower, Ashby, Gerald, and Smyk, the authors of *Incentive Mechanisms for Project Success* (2002), a contractor would try to perform a client's contract efficiently because of the incentive of maximizing their profit on the contract that they could receive. Most of the incentive contracts are designed to provide an incentive to the supplier or contractor in order to complete a project on time or earlier. The three main ways of providing the incentives within the contracts are that additional expense could be added if there is a delay of completion or that earlier completion will save expense, offering a bonus for earlier completion or a penalty for a delayed completion, and by a profit-sharing arrangement where the savings in cost and time are shared between the purchaser and the contractor (Bower, Ashby, Gerald, & Smyk, 2002). Construction workers within the construction industry receive the incentives that have been implemented by their employers. Some employers of construction companies use money, other material things, and fringe benefits for incentives for their workers. According to Cox, Issa, and Frey, the authors of *Proposed Subcontractor-Based Employee Motivational Model* (2006), fringe benefits would not exist if money were all that mattered to workers. Sometimes people just want to be acknowledged for the work that they do; and for most workers, a fringe benefit and a good old-fashioned pat on the back can take place of a few more dollars (Cox, Issa, & Frey, 2006).

The incentives that employees receive do not always come in an object form, such as travel and money; but can be an intangible asset that satisfies people's needs according to Maslow's Hierarchy of Needs. Some employees just want to be recognized within the organization and for what they accomplish. According to DJ Borbidge, "an employer should empower employees and involve them in decisions that affect them, give employees a chance to learn new skills and grow, listen to their ideas, get to know and acknowledge employees,

recognize the employees for what they've done, celebrate company and department successes, and reward employees with additional breaks and healthy drinks during the peak of business cycles" (Borbidge, 2007). The rewards during the high peak of business cycles can include cash, but it does not have to. Food manufactures should use this type of incentive because their profit margins are already so small, and it would be hard for them to use monetary incentives to motivate their employees. Diane Blinkhorn, group marketing director at Bibby Financial Services, states that "the company could get their employees away from work and take them out for a pizza if they get a big order or meet a large target, create a flexible working environment by building more flexibility into their jobs with different working hours or having more break-away times from their work, or allow them additional days off so that the employees would not take as many sick days when do not actually need to use them because they do not feel like going to work" (Chomka, 2003). Some organizations are trying to create and retain a diverse workforce. Recruiting the diverse employees is relatively easy; however trying to retain them is hard. Rochelle Ford, an assistant professor at Harvard University, states that benefit packages, training opportunities or support for continuing education, high profile projects, establishing family-friendly workplace policies, job security, and collaborative approach to work or working in teams are incentives to help retain a diverse workforce according to a joint study by the University of Michigan and Florida A&M University business schools (Ford, 2004).

Another idea for employees to stay with a company is a profit-sharing approach that the Great Little Box Company had done. With the profit-sharing approach, Great Little Box Company had paid their employees money for ideas that would save them money in production costs as long as the idea had worked. Their rewards for the cost saving ideas had ranged from \$50 - \$2500 depending on how much money the company had saved from the idea (Heymann &

Barrera, 2010). Labor management systems (LMS) is another company using a profit-sharing as an incentive program. Their version of profit-sharing works by giving the employees a percentage of the money saved for completing a task early. LMS's example says that if a worker completes a job in one hour that normally takes two hours and saves the company \$20 for the hour of labor, the company takes the \$20 and shares it with the worker, perhaps keeping \$10 and giving \$10 to the worker (Napolitano, 2012). However Larry Parker, principal for Aries Consulting LLC, goes on to warn that incentive plans may not be as effective in an environment where overtime is common place, and that incentive pays should never be tied to productivity alone, but include quality, service, and safety as well (Napolitano, 2012).

According to Jeffery and Adomdza in *Incentive Salience and Improved Performance* (2011), some companies either give out cash incentives or noncash tangible incentives. The employees within those companies tend to focus on the noncash tangible incentives such as travel. They can use their money that they get from working at the job to travel if they want, but who would want to use their own money if the company is willing to give out travel as an incentive? In the article "Incentives and Earnings Growth", Frederiksen (2013) stated that the incentives that workers receive during the time that they are working tend to lead to growth in those individuals earnings.

Panther Chemical Company is a company that offers noncash assets based on the tonnage of chemical sales that the sales personal can acquire during the year. The incentives that Panther Chemical Company offered to drive the motivation of their employees were blazers, diamond rings, automobiles with one-year-lease basis with yearly lease renewal options, and trips (Management in Practice, 1979). Some businesses are starting to use travel as incentives to motivate their employees, and show how much the company appreciates them. Incentive travel is

a prevalent theme for Total Adventures Inc., however it is not completely filled with leisure activities for the recipients, there is still work to be done. The trips that are offered as rewards are a mix of team building activities, training/meetings, and relaxing entertainment for the employees. On the trip, the employees would get to relax and enjoy a day at the spa, meet their co-workers and have fun on the first day; the next couple days would consist of fun team building exercises of rescuing their boss after being kidnapped while visiting historical places in the city while on their way trying to find their boss in a bar, who buys the team of employees a round a drinks for rescuing them for example; and on the last couple days, the employees would have company meetings and they would be in a perfect state of mind because they had spent time together in a relaxing fun way (Juergens, 2005). The Incentives Performance Center estimates that American businesses, such as Classic Cos., orthodontists, real estate developers, office supply retailer, and many more spend more than \$10 billion a year on incentive travel and motivational meetings (Hurley, 2006). These company's incentive trips followed the same format of activities as the Total Adventures Inc. travel incentive travel program. Warren Youngquist, Jim Morely, and Rich Gentile, who are managers state "the trips generate a measurable return on investment by promoting increased productivity, positive work relationships and an enhanced bottom line" (Hurley, 2006).

Sodexo uses a point-based system for their incentive program; however, they had put their own spin on it in order to entice their employees to be motivated to work. The incentive program that Sodexo had setup allowed their employees to choose what rewards that they wanted to receive from over 3,000 products including digital cameras and jewelry, and the employees could monitor their own performance online to see how much progress they have made toward the reward that they had chosen (Golding, 2008).

When companies use cash incentives, such as bonuses, they tend to have another form of incentive as well. For example, some of the companies that are trying to get their employees to join health wellness incentive programs use a cash incentive to get their employers to stop smoking or just giving out bonuses, but they also give out merchandise as rewards. One company that uses just cash as an incentive was the Amoskeag Savings Bank in Manchester back in the 1980s. William S. Bushnell, CEO and President at the time, had set up an incentive program that was not set on commission for the employees who had customer contact, but a bonus to the bank branch who can reach their quota; however for the employees who did not have customer contact, their incentive program was based on commission. The commissions that are made from customers opening new accounts thrown into a big pool, that is dividend in thirds for the branch manager, the tellers and the customer-service representatives; however, it is only given to the employees that are eligible to apply for it, and if their branch meets the account quota (Savings bank workforce rallies when incentive compensation comes in, 1982). This cash motivation incentive program had worked for the Amoskeag Savings Bank, and they had an increase in business.

Due to the fact the incentives are becoming more prevalent within organizations and the types of the incentives vary widely, some business had companies have created “incentive market fair” which showcases incentives to buy (Fredrickson, 2001). At this fair, the employers can get some ideas on what they kind of incentives that they are going to use, while picking up some merchandise rewards that they can give away for surpassing company goals or contest prizes. There are also companies, such as Staples Inc., that are there to help organizations develop and implement their own incentive programs. Staples Inc. had conducted a survey to see how many companies that employees worked for had incentive programs and how many did not.

Employees who work for companies with incentive programs stated that 85% feel more valued, 70% are happier and motivated at work, 65% are more loyal to their company, and 60% are more productive and able to get better results (Staples, 2011). Many of the employees that had taken part in the survey did not work for a company with an incentive program, but they wanted to. The survey showed that 33% of employees would work an extra week each year, 30% would take on extra responsibilities, over 40 would be in favor of forgoing the annual holiday party, and many would be willing to make other sacrifices so that their company would implement an incentive program (Staples, 2011).

Conclusion

It is the company's choice to give out incentives to their employees or not. In the long run, incentives are what keep the employees coming back to work. They also keep the employees motivated to complete their job, and it also increases production because they tend to work harder in order to get a reward. According to Irwin Pollack, sales and management trainer, incentives programs can come in a variety of forms as shown in Exhibit Two (Pollack, 2001), and I found out that most of the companies focus on using travel as their main incentive reward in addition to other types of incentives. On the other hand, some companies focus on the intangible incentives, such as job security, to motivate their employees. During my research, many companies had used cash as an incentive; but it was tied in with other incentives, and Exhibit One shows a summary of the types of incentives used in each source. However, I had only found one company that had just used cash as their incentive, and nothing else. It was rather odd, because I thought that more companies would use cash to motivate their employees.

I believe that all incentives can increase the efficiency of the workforce as long as they are implemented correctly. The wellness incentive programs helps increase the efficiency of the workforce because the employees strive to become healthier so that they can pay less for health

insurance premiums, and it shows that the employers care about them by offering the programs which helps motivate the employees even more. Cash incentives tend to increase the efficiency of the workforce for a short amount because it gives the employees some extra cash to go and have fun with. Tangible assets, such as travel and other merchandise, given to the employees also can increase the efficiency of the workforce. Trips can result with the employees being able to effectively work together due to the time that would be spent together doing team building exercises. The merchandise, on the other hand, can increase the efficiency of the workforce because the employees would have something to show for their work, and they would tend to work harder in order to get better merchandise rewards next time. Finally, the intangible assets would increase workforce efficiency because some employees just want to be recognized for what they do. Having a boss that would take the time to get to know an employee, listen to them, and make the employee feel like they are a major part of an organization is enough motivation for them to work harder (Borbidge, 2007).

Even though I said that all the prior incentives can increase the efficiency of the workforce, some of them can actually hinder the workforce as well. Incentives tend to fail when the companies do not explain the how the incentives programs work. The incentives within the construction industry can really hinder the efficiency within an organization. Contractors would work hard so that they can get the project done on time or earlier in order to increase their profits; however, the safety and quality of the project could dramatically decrease with the speed increasing, which could result in more accidents and redoing something that should have been done correctly in the first place. Cash-based incentives can also hinder the efficiency of an organization if it is the only incentive used. When money is involved as an incentive, such as raises, it becomes permanent, but the motivation is temporary (Wise, 2004) because the affects

wear off until the employees would get another raise or bonus. Within the nonmonetary tangible asset incentives, the merchandise can hinder the organization when the point-based system is used. If companies put too much of a point value on some of the merchandise, the employees might not even care about it anymore because to them it would not be worth trying to work for the points. Also, if the merchandise that is available is not enticing to the employees, it could also hinder the efficiency of the organization as well. I believe the intangible assets could hinder the efficiency as well. If an employee is not recognized for completing a major project that furthered the company, or recognized too late for it, the employee could feel that they are undervalued, and they would not be motivated to work as hard anymore.

Overall, I believe that the best incentive that motivates the workers efficiency is travel. Travel gives the employees a chance to go somewhere that they probably have never been to before. The companies who use travel as an incentive use the trip as a work experience for all of their employees who go, and it is a great time for all the employees to get to know each other better. Sure the trip will consist of some meetings; but it gives the employees a time to relax, and have fun with team building activities. The experience and memories of the trips will last a lifetime, and the employees would be motivated to work harder so that they will be able to take part on the next incentive trip.

Exhibit One – Summary of the Types of Incentives Used in Each Source

Article Title	Types of Incentives Used	Citation
1. 27 hot incentive programs for your salespeople	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets • Incentive Programs 	(Pollack, 2001)
2. Aon Hewitt Survey Highlights Important Role of Incentives in U.S. Employers' Efforts to Improve Workforce Health and Performance	<ul style="list-style-type: none"> • Cash-Based • Incentive Programs 	(Newswire, Aon Hewitt Survey Highlights Important Role of Incentives in U.S. Employers' Efforts to Improve Workforce Health and Performance, 2013)
3. Aon Hewitt Survey Shows Use of Incentives Grows as U.S. Employers Look to Improve Workforce Health and Productivity	<ul style="list-style-type: none"> • Incentive Programs 	(Newswire, Aon Hewitt Survey Shows Use of Incentives Grows as U.S. Employers Look to Improve Workforce Health and Productivity, 2012)
4. Building a Better Workforce	<ul style="list-style-type: none"> • Incentive Programs 	(Building a Better Workforce, 2008)
5. Companies Offer Workers More Incentives for Health Changes	<ul style="list-style-type: none"> • Cash-Based • Incentive Programs 	(Financial Planning Association, 2013)
6. Competing against co-workers for cash incentives	<ul style="list-style-type: none"> • Cash-Based 	(Competing against co-workers for cash incentives, 2013)
7. Employee Benefits in a Total Rewards Framework	<ul style="list-style-type: none"> • Cash-Based • Incentive Programs • Intangible Assets 	(Kwon & Hein, 2013)
8. How Business Can Profit From Raising Compensation At The Bottom	<ul style="list-style-type: none"> • Cash-Based • Intangible Assets 	(Hevmann & Barrera, 2010)
9. How do you influence behavior?: To motivate workers, appreciate them.	<ul style="list-style-type: none"> • Intangible Assets 	(Borbidge, 2007)
10. How Regence BC/BS & Other Firms Use Incentives to Increase Wellness Participation	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets • Incentive Programs 	(How Regence BC/BS & Other Firms Use Incentives to Increase Wellness Participation, 2007)
11. Incentive Mechanisms for Project Success	<ul style="list-style-type: none"> • Cash-Based • Incentive Programs 	(Bower, Ashby, Gerald, & Smyk, 2002)
12. Incentives Saliense and Improved Performance	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets 	(Jeffery & Adomdza, 2011)
13. Incentives and earnings growth	<ul style="list-style-type: none"> • Cash-Based 	(Frederiksen, 2013)
14. Labor Management:	<ul style="list-style-type: none"> • Cash-Based 	(Napolitano, 2012)

Beyond the punch clock		
15. Management In Practice	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets 	(Management in Practice, 1979)
16. Meeting Employee requirements: Maslow's hierarchy of needs is still a reliable guide to motivating staff	<ul style="list-style-type: none"> • Cash-Based • Intangible Assets • Incentive Programs 	(Sadri & Bowen, 2011)
17. More companies have a gift for rewarding employees	<ul style="list-style-type: none"> • Nonmonetary Tangible Assets 	(Fredrickson, 2001)
18. Motivation pays in the long run	<ul style="list-style-type: none"> • Cash-Based • Intangible Assets 	(Chomka, 2003)
19. Once in a Lifetime	<ul style="list-style-type: none"> • Nonmonetary Tangible Assets • Incentive Programs 	(Juergens, 2005)
20. Proposed Subcontractor-Based Employee Motivational Model	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets • Intangible Assets • Incentive Programs 	(Cox, Issa, & Frey, 2006)
21. Right compensation plan makes a difference	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets • Intangible Assets 	(Wise, 2004)
22. Savings bank workforce rallies when incentive compensation comes in	<ul style="list-style-type: none"> • Cash-Based 	(Savings bank workforce rallies when incentive compensation comes in, 1982)
23. Sodexo enables staff to structure own incentive plan	<ul style="list-style-type: none"> • Nonmonetary Tangible Assets 	(Golding, 2008)
24. Staples Brings Easy to Employee Rewards: Survey Shows 1 in 3 Would Work Extra Week Each Year for Company Incentive Program	<ul style="list-style-type: none"> • Nonmonetary Tangible Assets 	(Staples, 2011)
25. Trips serve as motivation for employees	<ul style="list-style-type: none"> • Cash-Based • Nonmonetary Tangible Assets • Incentive Programs 	(Hurley, 2006)
26. Ways to retain a diverse work force	<ul style="list-style-type: none"> • Cash-Based • Intangible Assets • Incentive Programs 	(Ford, 2004)

Exhibit Two – 27 Hot Incentive Programs for Your Salespeople

1. Award a simple cash incentive bonus for hitting the monthly sales quota.	2. Award a simple cash incentive bonus for hitting the monthly goal for number of accounts.	3. Award an incentive for selling the most of a certain package or hitting a certain package sales goal.
4. Have a “Good News/Bad News” incentive.	5. Award a certain cash prize for each percentage point a seller finishes over and above a goal.	6. Don’t forget team incentives.
7. Remember, not all prizes have to be cash. Unusual items and trips are always good.	8. Trips to places for entire sales staff if they hit a specified sales goal.	9. Unexpected rewards are good. Surprise staff with something unexpected for doing a good job, hitting a goal, setting a sales record, etc.
10. Time off with pay.	11. Incentive where people who hit their goal or achieve the desired level can blindly choose money out of a “pot” with various size of money amounts.	12. Same as 11, but have them pick the prize before they begin the contest.
13. Have one large grand prize drawing, and decent prizes for people who qualified by meeting goals.	14. Make sure to look at various criteria when judging.	15. Play poker. Salespeople get to choose a card for doing certain things and the player with the best hands at either the end of the day, week, or month wins.
16. Play Bingo. Each square represents a different activity you desire accomplish. First player to Bingo wins grand prize.	17. Have competition between multiple staffs, if the company has multiple staffs.	18. Company Derby. Salespeople are “race horses” and the rest of the staff gets divided into teams with a “horse.” When a “horse” wins, that whole group wins.
19. Pit different staffs against each other, and the losing staff has to do something basic for the winning group.	20. Establish first timers clubs. For example, first time to perform various functions.	21. Lapel pins made in the form of their company name, made out 24 karat gold, and encrusted with various stones for reaching other levels within the company.
22. Award “GoalBuster” certificates to each seller who hits their monthly quota.	23. Don’t overlook special award jackets and wall plaques.	24. Do some special contests on a quarterly basis.
25. Do a sweepstakes where the seller of the most of a certain activity over a specified period wins.	26. Point-based system, where points are traded for rewards.	27. When you have a big incentive program or contest going on, be sure to mail a letter to the spouse of the seller and point out what might be won.

(Pollack, 2001)

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