Written by Administrator Monday, 21 February 2011 11:42 - Last Updated Thursday, 28 November 2013 12:44

A workforce, which is wholeheartedly and enthusiastically supporting the goals of the organisation, has been a key aim of managers since industrial and commercial organisations began. Today, that quest is even more important to the modern service organisation, which is faced with a mobile and costly workforce and a demanding customer. In a call centre, for example, employees are the organisation in the customer's eyes. Yet bored or burnt-out staff may stay only a year or less. The ability to fire them up and ensure they present a polished and enthusiastic attitude is crucial. Retention is a key service issue - one call centre worked out that it costs them over £4,000 to replace a customer experience adviser, for example.

Best practice service organisations appreciate only too well that a satisfied and committed workforce delivers excellent service, ensuring long-term customer retention and loyalty. The thorny management question is how to achieve this through a planned management strategy.

- How do you create a motivated and committed workforce?
- How much is financial reward the answer?
- If so what form should it take?
- How do you consciously promote loyalty, recognition, a sense of achievement and a feeling that you will go the extra mile for the customer and the company?

The authors put forward proven ways to motivate service employees and discuss what these mean.

What is motivation?

The gurus have come up with useful theories and insights on motivation but also have demonstrated the complexity of this area of human energy and behaviour. For practitioners some points are clear, however:

- Motivation comes from within; it is drawn out of individuals not imposed on them.
- Motivation is multi-dimensional and there is no single universal answer, true for all time and all people.
- Some things motivate and encourage extra effort; others only cause dissatisfaction by their absence.
- Clear goals are an aid to motivation: they enable individuals to know what to aim for, and

Written by Administrator Monday, 21 February 2011 11:42 - Last Updated Thursday, 28 November 2013 12:44

feedback gives an energising sense of progress.

• The 'stick' and the 'carrot' are both useful, but increasingly 'carrots' are seen as generally more effective to foster sustained motivation.

Ken Lewis, MD of Dutton Engineering in Bedford, sums this up well when he says that employees are less motivated by money than 'by fulfilling their need to contribute, to be valued'. This in turn leads them to deliver quality service. At Dutton Engineering employees are encouraged to agree delivery dates with customers, 'to own decisions, to be involved and focused'.

Developing a Reward and Recognition Scheme

Many businesses adopt reward and recognition schemes which run alongside performance management techniques to encourage excellent service. If your organisation runs a reward scheme, the type and basis of reward needs to be given careful consideration. Rewards can be based on customer, peer group, management, internal customer and partner feedback, but above all they need to be aligned to the values of the organisation.

- 1. WHO should be rewarded and recognised? the company as a whole, groups or individuals?
- 2. WHY should they be recognised? e.g. for outstanding performance or improvement in customer experience?
- 3. WHEN should this happen? on a one-off or on-going basis e.g. as part of a regular reward scheme or performance management system?
- 4. WHAT form should the recognition take e.g. financial or non-financial reward?
- 5. HOW should the scheme be administered e.g. what should be the method of delivering the

Written by Administrator Monday, 21 February 2011 11:42 - Last Updated Thursday, 28 November 2013 12:44

reward/recognition?

Firstly, what is the objective of the scheme and who is it intended to reward and recognise?

For example will the reward and recognition cover all employees or just one group of staff? Care must be taken to ensure that the reason for the recognition is clear and is seen as fair. A large retailer introduced a service excellence scheme for all the front-line staff. This caused resentment amongst head office and support staff who were not included in the programme.

Should individuals or teams be recognised?

Organisations who devise customer experience reward and recognition schemes should consider carefully whether to make awards to teams or individuals. Rewarding teams encourages collaboration and achievement of team goals. However, it can be said to discourage recognition of individual effort. Individual customer experience awards for outstanding performance can lead to definite improvements if the culture is right. Such schemes need to have fair selection criteria if they are not to de-motivate other people who may wonder why they have not been chosen. Also whilst some individuals are motivated by public recognition, others prefer a personal 'thank you' or a private note of thanks.

Measurement of reward and recognition: who should measure?

Consideration should be given to whether the source of measurement should be the customer, staff, management or other external source. United Airlines runs an employee recognition scheme where Mileage Plus customers are encouraged to issue award certificate to service providers who take extra steps to ensure customer satisfaction. Other organisations combine both internal and external customer feedback as the basis of their measurement systems.

Are you recognising and rewarding the right things?

What gets measured gets done. Make certain that the target level of customer experience is not attained at the expense of other aspects of the service. For example, the improvement of overall telephone response is a more customer-orientated achievement than the speed of answering the phone. In the latter case the customer's call may be answered quickly, but the customer may be kept holding on the phone and may not be transferred efficiently or may be dealt with in an unhelpful manner.

Written by Administrator Monday, 21 February 2011 11:42 - Last Updated Thursday, 28 November 2013 12:44

Avis, for example, includes in its customer satisfaction measurement both hard measures of customer satisfaction such as 'speed of telephone response' and soft measures such as enthusiasm.

Do the awards fit the values of the organisation?

An environmentally conscious wholesaler ran a reward scheme based on results of customer satisfaction surveys, and offered managers weekends at leisure parks as prizes. Local managers were not motivated by the prize which was seen to be incompatible with the organisation's corporate values and which only rewarded the managers for their branch efforts, not their team.

What is the best incentive?

Within a customer experience environment there are three types of incentives used to encourage customer-orientated behaviour: verbal or written recognition, tokens or tangible rewards. In wishing to recognise achievement, managers need to consider which type of reward and recognition is most appropriate to the organisation and to the individual and the team.

Recognising excellent service is an important motivator. Saying 'well done' for good performance gives value to the person who has provided the service. While praise is sufficient to motivate and recognise many people?s efforts, other people may feel more motivated by seeing their name in print or shaking the chairman's hand. In other organisations, a hand-written note, a public vote of thanks, a longer lunch or an extra day's leave may be more valued. Air Miles found that its 1,000 employees (80% of whom work in call centres) considered time off work the most significant form of reward. Air Miles implemented a recognition scheme called 'Time Off Vouchers' where individuals can be given time off in recognition for achievement.

How long should the reward and recognition scheme continue?

There comes a time with all reward and recognition programmes when they cease to energise employees. Twelve months down the line what may have been a powerful scheme may have lost its effect.

One financial services organisation ran a reward scheme linked to customer satisfaction. Branches competed against each other to gain points based on feedback from customer questionnaires, customer focus groups and mystery shopper feedback. Six months later based

Written by Administrator Monday, 21 February 2011 11:42 - Last Updated Thursday, 28 November 2013 12:44

on staff feedback, it supplemented the programme with internal awards for excellent service. These additions were seen as a fairer basis for the scheme. In the following year the business again reviewed the reward programme and added, at employees' suggestion, rewards for those branches who had made the best progress plus an annual competition for regional finalists.

Reward and Recognition Checklist

Here is a selection of practical exercises you can undertake to help recognise and reward good service in your organisation:

Survey Your Staff

It is surprising how many organisations assume they know best when it comes to motivating staff. Well-conducted surveys are a critical means to challenge assumptions. First Direct believes it must continue to work at understanding its employees and the culture more deeply. It has introduced a Culture Critique, using staff focus groups, and one-to-one interviews not just with current employees but past ones too.

Tailor Service Awards to the Needs of Employees

Recognition, through token or monetary benefits has to be meaningful to those who receive it. Consider the most appropriate recognition and reward for the individual and the team. One service adviser commented that the most meaningful reward that they had ever received was when the departmental manager took time out to wash the service adviser's car as a personal thank you.

Provide Training To Managers In Creating A Motivating Climate

Managers have a key role to play in encouraging motivation amongst their team. Successful service organisations provide training to managers in leadership and motivation. Julian Richer, of Richer Sounds has considerable knowledge of building the right motivated climate. He believes it can be summed up in five steps:

Written by Administrator Monday, 21 February 2011 11:42 - Last Updated Thursday, 28 November 2013 12:44

- 1. Making the workplace fun
- 2. Providing copious and specific recognition for the work which staff do
- 3. Offering frequent and targeted rewards
- 4. Making communication regular and all persuasive
- 5. Rewarding employee loyalty

He has built up his business on this basis and now offers other organisations such as ASDA advice in this area.

Give Positive Feedback

Reinforce in your managers the need to give positive feedback to their staff. A 'thank you' and 'well done' from the manager is often more meaningful to employees than monetary or token award. FedEx rigorously champions managers as servicing their employees to service the customer.

Conclusion

In today's modern service organisations managers need to be SMART in how they create a motivating climate for their employees through making recognition and reward Specific and Meaningful to the individual, Appropriate and Relevant to the values of the organisation, as well as Timely.

Sarah Cook and Steve Macaulay. Sarah is Managing Director of customer experience specialists, The Stairway Consultancy and author of 'Customer Care' by Kogan Page. Steve is a Management Development Consultant at Cranfield School of Management. They can be contacted on 01628-52653.

{loadposition copyrightmessage}