

5.1 Employee incentives

Keeping staff motivated and inspired is often a challenging task for employees. It is no longer just about getting a cash bonus, but recognition for a job well done. Employees are after incentive programs and rewards beyond just the traditional company picnics.

Today's employees demands – work-life balance, job satisfaction, an environmentally friendly workplace, opportunity for promotion, staff recreation and canteen to accommodate dietary and religious predilection, maternity/paternity leave, a crèche, recognition, rewards, ergonomic designer workspaces with a view and a trip to Jamaica. Well, not quite!

More and more however, Australian companies are realizing that staff are not motivated by just money. The Mercer Australian Benefits Review found 55% of Australian Companies used non-monetary rewards as incentives in 2001 increasing to 76% in 2004. Companies can not afford not to take a strategic approach, demanding measurements, matrixes and guaranteed outcomes.

Bonuses act as motivators, rewards and nice ways to thank employees for helping you build your company. Even if you can afford only small bonuses, they let employees know you appreciate their work. Include these ideas in your approach:

1. Bonuses should be linked to performance of the team, unit or individual against specific and measurable goals that are attainable
2. Year-end is not the only time to give bonuses. Consider offering periodic rewards throughout the year for a job well done.
3. Even a small bonus can mean a lot to someone, so don't rule out bonuses just because cash is short.
4. When bonuses are given, make it clear that the payments are "extra" and may not always be available.

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