



CAPRICORN
...it's just easier!™

Additional resources:

- An incentive program in detail

Give rewards for productivity

It doesn't require too much effort to come up with a device or a policy that might encourage your workshop team to go that extra mile.

Some people in business consider that just having a job and being paid is reward enough, with the expectation that the employee should do their best all the time.

Not so surprisingly, the younger generation might have a different view. Many in the workforce today have never lived through a serious recession so they see job security as a given.

Those owners or managers who feel they are not getting 100 per cent commitment from staff, and suspect that staff are not overly concerned about the performance of the business may be able to turn the ship around with an incentive scheme.

An incentive scheme can be an essential ingredient in the creation of a culture where the workshop team is genuinely interested in the success of the business. Once such a culture is created, improvement in sales, team morale and profits usually follow.

Most will say, 'We can't afford any more wage increases.' But it's not about more wages.

It's about improving output so the business makes more profit. Is paying out \$200 in extra wages justified if it generates an extra \$1,000 for the business?

An incentive could be a convivial drink and dinner after work on Friday, a fishing trip, time off for something personal, a weekend away or sometimes, a simple recognition of a job well done.

For an incentive scheme to work it has to be win/win/win for these three parties.

- Customers – better service
- Staff – greater satisfaction
- Owners – more profit

Individual or team incentive?

There is no wrong or right answer and many business have a hybrid scheme rewarding both individual and team performance. The example scheme that TaT Biz has provided is a team scheme, one that will reduce the likelihood of people looking out for themselves by avoiding jobs that may impact on their productivity.

Weekly, monthly, yearly?

Again there is no wrong or right answer. However, experience shows that people will always try harder if they can see the finish line. Given this, the TaT Biz scheme is weekly and is designed to follow a business pay cycle.

What to monitor?

There are many staff performance indicators you can monitor. It can be simple or complex – what is important is that output is one of the indicators. Technicians are employed to sell hours so if they don't, profitability will suffer.

The TaT Biz scheme also links successful completion of duties to the incentive scheme. This provides incentive for staff to routinely do the simple things expected of them.

Flexibility?

What was once an incentive may, over time, become the norm so schemes often need to be changed to maintain their effectiveness. As business structures and costs change, so must the incentive scheme.

So if you feel that have staff are not giving 100 per cent effort consider rolling out some form of incentive scheme. You might be surprised how staff quickly become concerned with their output and start thinking about the overall performance of the business.

The place to start is www.tatbiz.net.au/capricorn

Just go for it!