

# Terms of Engagement

## *Human resource strategies in the 21st Century*

*A guest article by Hugo Slimbrouck*

**This month, Ovation Global DMC's Hugo Slimbrouck will talk about incentive travel as a motivational tool. In the 21th century, cash rewards are no longer the ideal tool for boosting performance. Engagement driven motivation by satisfaction or pleasure derived from the task itself has a more long term effect, and to many, travel is a major driver of engagement.**

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**M**any people in the corporate environment and especially those in HR know more about employee engagement than I do. But still, too few know what exciting tools we, in our industry have at their disposal. What I would like to introduce in this article is an authentic business tool with which many business owners and human resource executives are not too familiar yet. A business tool that will help you in your engagement strategy in your organization: incentive travel as a motivational tool.

In present days, corporate engagement is about PURPOSE. Some of you may be familiar with the famous TED talk of Dan Pink on the topic of rethinking on how to do business in the 21st century. Learning is a huge part of engagement and engaging people in an organization is fundamental. Multiple Gallup polls and other surveys have proven this over the past few years. What Dan Pink was stating in his talk is that business in our era is all about:

**Autonomy:** the urge to direct our own lives

**Mastery:** the desire to be better at something that matters

**Purpose:** the yearning to do what we do in the service of something that is bigger than ourselves

### **Cash is no longer king**

In the 20st Century, management was all about compliance. Best practices, standard operation procedures, total quality management, certification etc. But in order to be successful in the 21st century, one better be shifting to a new style of management in which self-direction plays a stellar role.

A fair and equal salary will always be the basis of engagement but high performance will only come after you motivate intrinsically. 20th century cash rewards and incentives often destroy creativity. This has been scientifically proven. The secret of high performance is no longer in cash rewards and punishment (the carrot or the stick) but has moved to a higher ground. For contemporary staff, the intrinsic drive to do things for their own sake has taken over. Because to them, they matter more. Just think about it yourself: what was the last experience you remember that triggered your emotion? Close your eyes and picture that event and you will know.

In contemporary HR management, engagement is the most important employee topic. Maya Angelou wrote a perfect quote on this topic: "I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." This quote illustrates so much about the differences in motivation. Be it extrinsic motivation, like



earning a reward or avoiding punishment but more internally. Or the extrinsic motivators which are primarily about cash rewards (less all the legal deductions), points, rewards, competition and always include some fear in case of failure or fear of punishment.

Engagement driven motivation by satisfaction and or pleasure derived from the task itself has a long term effect. But this requires some form of autonomy, a feeling of belonging. It is open to learning and feeding the curious mind. For the recipient it means a self-attained level of mastery and purposeful meaning. This is exactly the area where incentive travel still has its underdeveloped growth potential. Travel is to many a major driver of engagement. It has power and provides depth. A travel experience buys feelings and uses all the senses and emotions.

So, ask yourself first: what is my motivation? What would make me change my behaviour in the organization in which I'm active? With incentive travel, we clearly operate in the top level of Maslow's pyramid. From the area where one has a need of esteem (importance, recognition, respect) to the most upper level of self-actualization. This is the area where one finds challenges, opportunities, learning and creativity.

Whilst cash rewards offer a certain level of safety, even when given as a bonus, in recognition terms cash

has very little value and really translates to compensation and benefits that have a short-term effect on behaviour. It is merely a transactional tool. When an employer rewards by offering gifts, he or she addresses esteem and love of belonging – this is more about recognition. But if the employer uses incentive travel as a motivational tool, we are talking about operating from a higher ground linked to self-actualization. It can also include recognition as well as career development opportunities, depending on how the program is designed. Incentive travel rewards have this long term effect and a high perceived value.

So what's the link to engagement? Recent studies illustrate that recognition is highly correlated to improved engagement with both the employee's work and the organization. A key to the success of the recognition component of the total rewards package is whether it motivates workers in ways that increase the level of engagement with their job and their employer. It is the engaged worker who will increase his/her level of discretionary effort—if the goal is performance—or desire to stay on the job when the goal is increased retention.

#### The extra mile

When it comes to "going the extra mile," the overall cultural environment in a company plays a key role in determining how far and fast people will run. In a



recent study that involved over 200,000 employees in more than 500 organizations the question was asked: "What motivates you to excel and go the extra mile at your organization?" Interestingly, money - often simply assumed to be the major motivator - was seventh on the list, well back in the pack. The key team and staff motivators were:

- Camaraderie and peer motivation (20%)
- Intrinsic desire to a good job (17%)
- Feeling encouraged and recognized (13%)
- Having a real impact (10%)
- Growing professionally (8%)
- Meeting client/customer needs (8%)
- Money and benefits (7%)
- Positive supervisor/senior management (4%)
- Believe in the company/product (4%)
- Other (9%)

What can we learn from this? The top choices clearly describe a general level of positive feelings by employees. For this to happen, management must play a major role in shaping the overall company culture. The opportunities are there to develop incentive travel as a motivational tool. I admit I was initially surprised by the high ranking of "camaraderie/peer motivation" and the low ranking of "money." But when you looked more closely at the research and the questions, reasonable patterns and explanations emerged.

First, this was not a survey of senior management, where compensation is high and frequently a major motivational driver. This research cut across a wide group of employees at all organizational levels. Second, if you consider several of the top responses in addition to "camaraderie" - for example, "feeling encouraged and recognized," "having a real impact" and "growing professionally," they describe the level of positive feelings employees have about working in a particular environment - in short, their attitude toward their corporate culture. Is it encouraging and supportive? Does it foster growth? Do they feel they can make a difference?

So even though "positive supervisor/senior management" was seemingly very low on the response list (at only 4%), it is after all management that plays the crucial role in shaping a company's culture. Which leads to the fact that it all starts with choosing the right people from the start: individuals who engage in open communication, thrive in collaborative environments and who can handle pressure with grace. But also people who easily share praise or accept accountability.

These are also the people from whom customers will easily buy. So they do not only promote loyalty but incite to buy more, provide word of mouth recommendation of products and services.

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### Who is Hugo Slimbrouck?

Hugo Slimbrouck is Director of Strategic Partnerships of Ovation Global DMC, the destination services brand of the MCI

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