Are you Talking to me?

A guest article by Hugo Slimbrouck

Designing an incentive program begins with understanding the customer, his or her business, the companies' leadership and a profile of the program participants. Knowing your customer and your customers' customer should be the basis for this motivational management tool. Let us help you determine whether an incentive program is a good fit for the business goals of your client. We will then explore how to build the program to meet these goals.

So let's start by exploring a typical customer situation: your client is thinking Mauritius is the right destination for an incentive trip to reward the top salespeople of the company. Depending on the business need, Mauritius may or may not be a great incentive travel program. Before you move to design, you first need to analyse your audience, not only the client's company and situation but also the potential participants to the trip. You will need to understand their business and the profile of the participants before proposing any incentive program.

Your questions to your customer should include a research into the business context; this may include product quality, distribution channels, marketing campaigns, company growth and competition. Find out how stable the company is and how they built success. What is their competitive position? They could have a mediocre product, brand or manufacturing capacity that cannot keep up with demand. An incentive program will not address the issue.

If this is not the first time they plan to use an incentive programme you will need to analyse previous programs (destinations, participants, successes). Was the program deployed by in-house staff or an outside provider? This is important to understand because it is harder to position an incentive program when a past program was expensive or ineffective. Asking questions about past experiences will also help you understand whether the incentive programs were designed and deployed to change behaviours.

Top management buy in

Find out how the commitment of senior leadership contributed to the changed behaviour. Was leadership involved in the design of the program? And how involved were they in its implementation phases – before, during and after. This is a critical element for success. Every person in the company involved in the program must be vested in the program. For example, the VP of Sales may be responsible for a sales incentive program, but if his or her superior isn't behind it then it will have limited success. Ideally you may want to get in front of the executive committee - CEO, CFO, senior person in sales and production, HRM…. If the program is deployed but not reinforced by the leadership team, the potential for change and success will diminish.

Does the company culture acknowledge successes and reward innovation? Is reward and recognition part
of its everyday fabric? If the incentive program is a new business strategy, you will need to provide more support (and communication) throughout the program. Who does the company want to target for the program? What type of program do they have in mind? Is it a programme to boost sales teams, non-sales teams, distributors or channel partners or consumers?

The target audience may have different types and levels of motivation. This will also help you understand the primary emphasis of the program: is it reward, recognition or both? In terms of budget and financial goals, can the organization afford this performance solution? You will need to examine what’s achievable in terms of profitability and productivity and what incremental profits can be applied to the implementation and budget of the incentive program.

In summary, you need to thoroughly research the business before you start discussing the design of the qualification rules or even considering the destination(s) of choice. During the initial meeting, ask questions to get the perspective of the leadership team – and the potential participants – to better understand the problem that the incentive program is trying to solve. Once you understand the customer in terms of business context, you will need to look at their customers or participants to understand what will motivate the potential qualifiers in the incentive program. And this can be very different from generation to generation or from country to country.

There is no one-size-fits all approach to motivation – and no one right answer to any of these situations. People have different motives – and levels of motivation. Traditionalists grew up in a “do without era,” believing in hard work and sacrifice. They want their actions to connect with the good of the company. What is important to them is reward, service and loyalty. This makes them primarily motivated by a sense of self-worth. Baby Boomers grew up in a healthy economic era and actions are often defined by the job. Boomers need to see how their actions make a difference. What’s important to them are rewards to promote and recognize performance.

This generation is motivated by a sense of security. Generation Y workers now start outnumbering Gen X and Baby Boomers. This generation grew up in an era of financial boom. Gen Y connects responsibility with personal goals. Important to them are rewards equal tangible evidence of credibility. They are motivated by a sense of greater good and in that sense they reconnect with the traditionalists.

In order to engage incentive participants and truly “wow” the qualifiers, you will need to understand what appeals and motivates the audience. If possible, try to talk with the potential qualifiers about what they would like or expect as part of an incentive program. While you're interested in delivering results, a successful incentive travel program is much more about the people involved. Information about them can be gathered through surveys and face to face conversations. Surveys can quickly gather information from the target audience about interests. However, you may not learn anything new. Respondents typically answer based on what they already know. Supplement surveys with face-to-face conversations are therefore highly recommended.

The Influence of culture on incentive programs

Culture is not a characteristic of individuals; it encompasses a number of people who share the same experiences – a group, a tribe, a geographic region, a
national minority, or a nation. It is always important to understand the cultural influence of the audience and be sensitive to your own assumptions and background when trying to understand others. It is also important not to purely stereotype and assume that because a person is of a different age, sex, nationality, or ethnicity they will be “different” and conform to a stereotype. For example, most Dutch men are taller than Asian men.

This generalization is informative when you’re designing doorways or cars, but it doesn’t guarantee that everyone fits the generalization. And not all Dutch men and women are 1m90 tall. Think about your own experience in dealing with different cultures. What are the “unwritten rules”? Factors that exist in one culture or country may not be present in another. These frameworks are useful in understanding the differences in cultures and by extension, the difference in motivations.

You need to realize that a national culture does not mean that everyone in the nation has the same characteristics assigned to the culture. With businesses operating in multiple countries, one can be exposed to more differences in one’s audience. You will need to be sensitive to these cultural differences. And cultural backgrounds influence our communication – take for example, a typical cocktail party networking question: What do you do? Americans tend to respond initially in terms of occupation and then identify the company in which they work. The more collectivistic Japanese would reverse this order. Time orientation is also a degree to which members of a national culture will defer gratification to achieve long-term success.

How would you adapt incentive programs based on these cultural influences? How would you make your incentive programs relevant for a diverse global audience with different values and motivations? Communication needs relate to both verbal and non-verbal communication. In instances where there is potential for misunderstanding, one would provide more communication rather than to assume clarity. Spell out expectations because communication also relates to the degree of emotion and assertiveness. Flexibility and structure of the experience relates to the amount of uncertainty or ambiguity. Some cultures avoid uncertainty by establishing more formal rules and frowning on behaviours and ideas that deviate from the accepted.

In terms of group or individual activities, people in an individualistic society tend to view themselves in terms of their own self-interests, goal and accomplishments; typically, they do not associate with those outside the group where they belong. People in a collectivist society on the other hand tend to align their personal goals and interests to those of the group or organization as a whole. The US, Belgium and France for instance are individualistic cultures, whereas Japan, Korea and Taiwan are predominantly collectivist. Regional differences have direct influence on general qualification criteria and specific motivational elements.

When working in incentive travel one needs to realize that we’re all motivated differently. For example by achievement, affiliation, or power. Culture also influences our motivation. Due to the differences in both organizational and national cultures, your incentive programs need levels and options so individuals have alternatives – perhaps even rolling out different qualification criteria in a country based on region – due to the characteristics of the audience.