



INTERNAL / INFORMAL REWARDS

Some internal rewards that people seek and give themselves are:

- Growth
- Confidence in their competence
- Self-esteem
- A sense of achievement
- An awareness of social standing (among their peers)
- A feeling of belonging to the group
- Satisfaction in the work and achievement

They motivate your people to excel, and you play an essential role in helping them identify these rewards.

"In a recent study of more than 1,500 employees in scores of work settings by Dr. Gerald H. Graham, professor of management at Wichita State University, the most powerful motivator was personalized, instant recognition from their managers. "Managers have found," Graham adds, "that simply asking for employee involvement is motivational in itself."

Graham's study determined the top five motivating techniques:

1. The manager personally congratulates employees for a good job.
2. The manager writes personal notes about good performance.
3. The organization uses performance as the basis for promotion
4. The manager publicly recognize employees for good performance
5. The manager holds morale-building meetings to celebrate successes

Only 42 percent of the respondents believed that their managers typically used the top motivating technique in which a manager personally congratulates employees who do a good job. The other top factors were perceived by less than 25 percent of the respondents as being typically used.

Not only are informal rewards more effective, but they tend to be less expensive. According to the "People, Performance and Pay" study by the American Productivity Center in Houston and the American Productivity Center in Houston and American Compensation Association, it generally takes 5 to 8 percent of an employee's salary to change behaviour if the reward is cash and approximately 4 percent of the employee's salary if the reward is non-cash.

The most effective Rewards are tailored to the individual preferences of the people being recognized. Thus, the way to begin is by asking your employees how you can best show appreciation when they have done a good job.

Source: Nelson, Bob, 1001 Ways to Reward Employees. New York