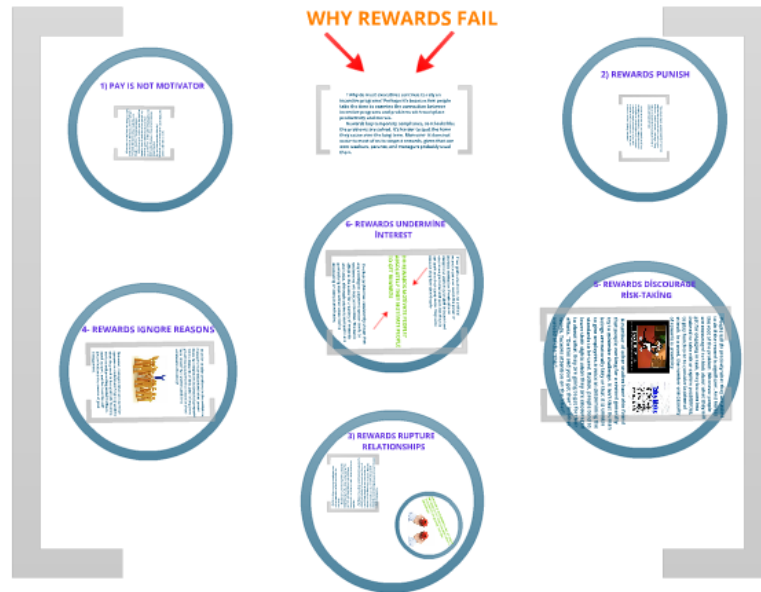
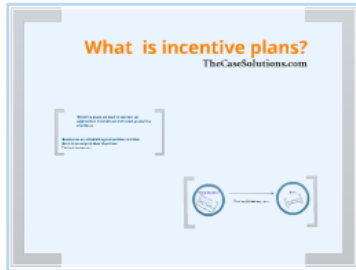


What Monetary Rewards Can and Cannot do: How to Show Employees the Money



What Monetary Rewards Can and Cannot do: How to Show Employees the Money

What is incentive plans?
TheCaseSolutions.com

The diagram illustrates the concept of incentive plans. It shows a central box with the title 'What is incentive plans?' and the website 'TheCaseSolutions.com'. Below the title, there are two smaller boxes connected by a double-headed arrow, representing the interaction between the incentive plan and the employee's response.

Why rewards don't work

This diagram shows a horizontal sequence of seven circular icons, each containing a different icon representing a reason why rewards might fail. A red arrow points from the top text 'Why rewards don't work' down to the first icon in the sequence.

WHY REWARDS CAN NOT WORK?

The vast majority of U.S. corporation use some sort of program intended to motivate employees by tying compensation to some index of performance or another. But more striking is the rarely examined belief that people will do a better job if they have been promised some sort of incentive.

A large blue circle contains the text 'WHY REWARDS CAN NOT WORK?' and a paragraph of text. A red arrow points from the text down to a small circular icon at the bottom of the circle.

TEMPORARY COMPLIANCE

TEMPORARY COMPLIANCE

The diagram features two overlapping circles. The top circle is labeled 'TEMPORARY COMPLIANCE' and the bottom circle is also labeled 'TEMPORARY COMPLIANCE'. A small figure of a person is positioned between the two circles, with arrows pointing towards them.

WHY REWARDS FAIL

This diagram lists six reasons why rewards fail, each in a circular box:

- 1) PAY IS NOT MOTIVATOR
- 2) REWARDS PUNISH
- 3) REWARDS RUPTURE RELATIONSHIPS
- 4) REWARDS IGNORE REASONS
- 5) REWARDS UNDERMINE INTEREST
- 6) REWARDS DISCOURAGE RISK-TAKING

 A central text box explains that rewards can be counterproductive if they are not designed properly. Red arrows point from the title 'WHY REWARDS FAIL' to the first two items in the list.

DANGEROUS ASSUMPTIONS

A text box on the left contains the text 'The number one cause of reward failure is the assumption that people will do a better job if they are promised some sort of incentive.' A red arrow points from this text box to a small circular image on the right.

What is incentive plans?

TheCaseSolutions.com

•Incentive plans are used to succeed, an organization must attract and retain productive employees

•Businesses are establishing competitive incentive plans to accomplish their objectives.

TheCaseSolutions.com

Incentive plans ;

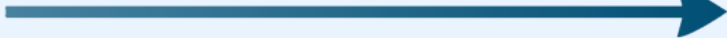
TheCaseSolutions.com

BUT ;

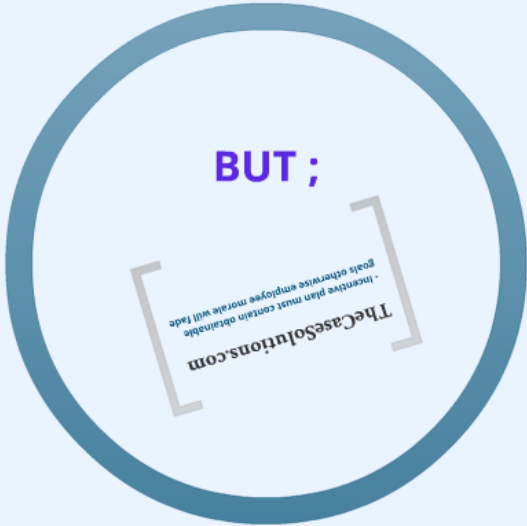
•Incentive plans are used to succeed, an organization must attract and retain productive employees

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Incentive plans ;

- Encourage company loyalty
- Attract potential employees
- If you want to build a committed, collaborative, and creative workforce, you have to pay employees for excellence

TheCaseSolutions.com

- **Encourage company loyalty**
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BUT ;

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- Incentive plan must contain obtainable goals otherwise employee morale will fade

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- **Incentive plan must contain obtainable goals otherwise employee morale will fade**