

Ten Changes That Can Increase the ROI of Incentive/Motivation Programs

- Create a baseline set of measures from historical data of both revenue and expense, from the same time period as the proposed incentive program dates, with any one time instances removed.
- Determine the incentive year baseline measures, for both revenue and expense, without consideration of the incentive program.
- Determine the incremental revenue and expense projections as a result of the incentive program, without consideration of the incentive program costs.
- Determine individual contribution of incremental revenue and expense for the incentive target audience to achieve overall incentive program projections.
- Determine the feasibility of individual effort to achieve the incremental incentive program revenue and expense projections.
- Determine the incentive award required to motivate the target audience to achieve the incentive revenue and expense projections.
- Calculate the incentive award investment required against the incremental net improvement of the incentive projections.
- Create a level playing field rules structure.
- Measure program results monthly; adjust rules to suit investment posture.
- Analyze final results for all incentive participants; take required action based on movement against objective for all, not just those who earned the award.