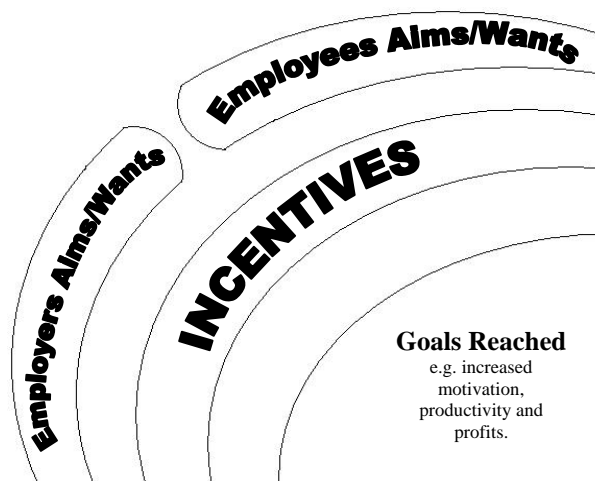


### Tri To Incentivise Model

Tri To Incentivise Model should be used to create the perfect incentive scheme. It looks at why you want to implement an incentive scheme, what all parties hope to achieve and how to measure the results or goals met.



(Diagram 1)

It is important to recognise that when developing an incentive program that the end Result or Goals you're trying to reach have to reflect and match what both the employee and employer expects and requires.

#### Employers Aims/Wants:

The employer's aims/wants will significantly affect the shape and scope of the incentive scheme. The scope of their demands can vary substantially depending on the desired effect. E.g. increasing a department's productivity without increasing costs or within a budget etc.

#### Employees Aims/Wants:

For the incentive scheme to work the employee has to benefit as they see fit for the task in hand. The business should remember this very important fact and adjust their offerings accordingly. Employees' needs need to be considered during the incentive scheme because it is them you are trying to motivate and will be the main people affected by the scheme.

#### Incentives:

The incentive should reflect and adhere to the demands of the aims and wants of the employee and employer. It needs to work for both the employee and employer.

Many people believe that an incentive should always be money driven then each employee can purchase what he/she really wants from the money provided by the incentive scheme. But how many days increasing numbers of employees prefer incentive schemes driven by other means.

Goals:

The end goals have to reflect the whole need for carrying out the incentive scheme, the business needs to satisfy its needs and the employer needs to be adequately satisfied. Goals will be reflected by the aims and wants of both the employer and employee.

The overall “theory” works by successfully bringing together each individual aspect, therefore utilising each requirement in harmony to produce the desired effect for all parties involved.

A good incentive scheme will probably be complicated and consist of a number of elements so that all employees can see that their actions can directly affect one or more elements. As the incentive scheme will be complex it needs to be communicated in such a way that all employees understand it. E.g. a manufacturing site might have an in-depth incentive scheme that covers three areas across the whole business, Incentives linked to 1. The amount of time the production process is operating. 2. Amount of profit on each unit sold. 3. Reducing individual departments fixed costs. The rewards will range depending on what the business has to offer and in line with what the employees are expecting (See Diagram 1). The objectives for the employee to follow to achieve the incentive scheme must be SMART. This type of example will also bring many other benefits to the company as for all the employees to achieve each objective they must work together increasing team work, motivation and communication throughout the business.