

Essentials of Program Design



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• acknowledge • appreciate • award • achieve • acknowledge • appreciate • award • achieve •

About the IMA



The Incentive Marketing Association (IMA) is the umbrella organization that connects members from leading companies across the marketplace to create a unified voice and growth for the incentive industry.

IMA members have the expertise, leading brands and services to help companies improve their business with recognition, reward and engagement programs.



The Incentive Professional Curriculum

- The first level of certification in the Incentive Marketing Association; demonstrates mastery of *Principles of Results-based Incentive Program Design* curriculum
- The original curriculum was authored by Bruce Bolger and Rodger Stotz
- It's been modified and updated over the years to reflect recent research but still references much of the initial research
- Certified Professional of Incentive Management (CPIM) designation is reached after achieving the IP, plus participation in IMA events, creating educational sessions, etc.



About Presenters

- Sean Roark: [Linkedin.com/in/skroark](https://www.linkedin.com/in/skroark)
 - President, IMA
 - Certified Professional of Incentive Management (CPIM)
 - Incentive Professional & Promotional Products Distributor
 - President, Promo Pros/Incent Pros



- Barb Hendrickson: [Linkedin.com/in/barbhendrickson1](https://www.linkedin.com/in/barbhendrickson1)
 - Charter IMA Member, Past President IMA
 - Certified Professional of Incentive Management (CPIM)
 - Former Manufacturer's Representative/Program Design/Promo Products
 - Current President, Visible Communication



Why is Program Design Important?

- Most ad/promo/marketing agencies are not experienced in incentive or reward & recognition program design
- There are potential pitfalls if all steps are not followed
- Beware unintended consequences
- Don't try this at home....



An Incentive Is...

- Something that incites to action or greater effort, such as a reward offered in exchange for increased productivity
- An incentive is *earned*

An Incentive Program Is...

- A systematic internal or external campaign
- Requires specific action from participants
- Produces measurable outcomes

What Motivates?

1. Emotion
2. Communication
3. Buy-in
4. Feasibility
5. Work Utility
6. Support
7. Employee capability
8. Analysis & Feedback



Linking Incentives to Performance



Incentive programs help drive and reinforce employee engagement:

- 84% of highly engaged employees believe they can positively impact the quality of their company's products, compared with 31% of the disengaged.
- 72% of the highly engaged believe they can positively affect customer service, versus 27% of the disengaged.
- 68% of the highly engaged believe they can positively impact costs in their job or unit, versus 19% of the disengaged.*

**from The Economics of Engagement, TheIRF.org*

Linking Incentives to Performance



- What do you want your employees to do differently when they're engaged at work?
- Use rewards & recognition as the levers to encourage the types of behaviors you're seeking

8 Steps to Effective Program Design

1. Objectives
2. Strategy
3. Measure Performance
4. Budget
5. Select Rewards
6. Administer Program
7. Celebrate Success
8. Analyze



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8 Steps to Effective Program Design

1. Objectives

- Concise, measurable, attainable (2-3 goals)

2. Strategy

- Define target audience
- Length of program
- Open/Closed-ended; how to qualify

3. Measure Performance

- What to measure?
- Qualitative and quantitative

4. Budget

- # of participants, length of program
- Expected results based on structure



8 Steps to Effective Program Design

5. Select Rewards

- Input from participants
- Appropriate brand match

6. Administer Program

- Communication & training
- Agency or internal
- 20% of budget

7. Celebrate Success

- Public recognition
- Support from Management
- Presentation counts

8. Analyze

- Metrics (Return on Investment)
- Outside factors



Rewards: Why not cash?

- Easily confused with compensation
- Tax ramifications to company and individual
- Clear value v. perceived value
- Little residual or “trophy” value
- Employees perform at higher levels for tangible rewards*



**The Effects of Tangible Rewards vs. Cash Rewards in a Sales Tournament: A Field Experiment. TheIRF.org*

Word to the wise...

- Hire a Professional
- Become an Incentive Professional yourself



*Incentive Professional curriculum available
at IncentiveMarketing.org*