

Personnel Management: Employee Motivation

By [Mark Horne](#)

Apple pie, motherhood, and motivated employees are all spoken in the same breath. I don't know a single convenience store operator that doesn't want motivated employees. The devil is always in the detail, however. In most convenience stores that I have worked with, motivation is equated to compensation only, and unfortunately most efforts to develop incentives fall into the following holes

- **Too complicated**-When managers, assistant managers, and cashiers can't explain and don't even understand the incentive plans they are doomed to failure. What you think is simple needs to be understood by employees. The acid test is to ask each layer of staff to explain the incentive program.
- **Too difficult to track**-If you establish an incentive program that requires additional manager time, office time, and re-programming of your EPOS equipment, the incentive plan is doomed to failure. Develop an incentive program that uses EPOS or existing or available back-office system reports to gather the information.
- **Employees don't know DAILY where they are**-Our employees lose interest when they don't see the daily results of their efforts or that of the "team". It is critical that you post results daily where all employees know how they are doing.
- **Don't keep raising the bar to avoid paying out the incentives**-I know of an operator I did consulting with who had a good incentive program. As soon as employees starting receiving incentives, as a reward the operator raised the threshold to make the incentives more difficult to achieve. The employee's perception was that no matter how well they did, it would continually be more difficult to reach the threshold. They gave up, sales dropped and the operator quit the program blaming employee performance. The reality was that the operator ruined it for everyone by poor planning and a distorted view of how the employees would perceive the threshold. He thought it would challenge when in effect it demoralized the staff.
- **Too long term**-Many operators have established incentives that are paid quarterly, semi-annually, or annually. For a manager, part of their incentives can be annually, but for cashiers who live check to check, the rewards must be paid every month, or even better every paycheck. You can't stick a carrot 50 feet out in front of a donkey and expect them to chase it. When people live paycheck to paycheck, they need to see the results of their efforts immediately. Try immediate programs as well. When exceptional service is provided, employees can be rewarded immediately in the form of mini-rewards such as movie tickets, fast food gift certificates, motor fuel certificates, etc. In addition, if you are using a mystery-shopping program, it is valuable to pay rewards for high customer service scores.
- **Increased expense with no sales increase**-Many operators have established incentives that are not based on business improvement. These improvements can include sales increases, shrink reduction, improved customer service survey scores, etc. What happens is that the employees begin receiving incentives for work they are already doing. If they get incentives for existing performance, the only thing you have accomplished is increasing your payroll. To overcome this, careful thought needs to be given on the measurable performance

expectations and sales requirements that both increases sales and profits and motivates the employees. This means you can base incentives on sales increases over what is now being done, combination purchases, increases in car wash sales, and sales of “targeted products”, like coffee or fountain where there is a high gross profit.

- **Incentives only with no recognition**-Another error made by operators are thinking that only money incentives are important. There are other motivators for people, the primary one being recognized for exceptional performance. This can be in the form of an employee-of-the-month program or a Star employee program. These non-cash incentives can include certificates, days off, a special parking place, a special pin, a dinner with the owner, and other recognition related items.
- **Thinking that incentives overcome poor treatment**-Employees need to be treated with respect by store managers, sales representatives, and other company management. No amount of incentives can overcome indifference, agitation, or poor treatment. It is critical that you examine your structure to be sure you allow and encourage feedback on how to improve the business from the employees at your stores.

Finally, incentives and other motivational techniques are a critical factor in creating a “winning team”. Consider what your business goals are and share those visions with your employees and reward them for helping you reach these business goals. There is a good book to buy entitled, 1001 Ways to Reward Employees, by Bob Nelson. When you look at the successes in our business, they find a way to motivate and reward employees. Make it a priority of your business.

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