

**From the pages of  
Call Center Management Review**



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# A Look at What Works in Agent Rewards and Recognition

by Greg Levin

*The ingredients for a strategic, well-rounded recognition program—and happier, high-performing agents.*

No single tactic can assure that a call center will achieve low levels of burnout and turnover. However, the *absence of one* tactic—a strategic rewards and recognition program—can assure that a call center will *not* achieve those goals.

While high retention and performance rates rely on a number of factors and practices—e.g., focused recruiting/hiring, a competitive salary, effective training, opportunities for advancement—call center experts agree that those efforts will be wasted if agents don't feel that they are valued and appreciated on a regular basis.

“The money spent on recruitment, the time to interview, and training time can cost upward of \$10,000 by the time you're done,” says Kim Vey of Right on Queue, a consulting firm based in Innsfil in Ontario, Canada. “You can't afford to waste that investment by not paying close attention to [employee recognition and motivation] in your call center. ... Reward and recognition are the key elements required to achieve a good retention rate.”

Such sentiments are echoed by Susan Heathfield, an independent management consultant specializing in human resource-related issues and opportunities. “Prioritize recognition for people, and you can ensure a positive, productive and innovative organizational climate. People who feel appreciated are more positive about themselves and their ability to contribute... and are potentially your best employees.”

Heathfield adds that, while most managers believe that employee recognition and incentives are important, many don't put that belief into

practice, or do so poorly.

“In my experience, recognition is scarce because of a combination of factors,” she explains. “Time is an often-stated reason and, admittedly, recognition does take time. Another reason is that [some managers] don't know how to provide it effectively, so they have bad experiences when they do.” She says that many assume “one size fits all” when they provide recognition and rewards, or use a “scatter approach” where they “put a lot out there and hope that some efforts will stick and create the results they want.”

## The Key Ingredients

Of course, not all call centers have failed in the recognition arena. Many have implemented strategic, well-rounded programs—programs that result in happier and, importantly, high-performing agents whose commitment and effort help strengthen valuable customer relationships.

These programs, while varying significantly in the fine details, share certain common attributes that have contributed to their success. Here's a look at the key ingredients that top call centers have mixed into their agent rewards/recognition efforts:

**The program features a healthy blend of both individual and team recognition.** Successful call centers have found that rewarding the few *and* the many is the best way to improve staff morale and retention centerwide. These centers have implemented not only “top achiever” awards that recognize strong performances by individual agents, but also team-based awards that help to foster camaraderie and common objectives among large groups of agents. For instance, at Boston

Coach—an executive sedan service—agents earn points (which can later be converted to cash) not only for things like individual attendance and adherence to schedule, but also for improvements in the number of service failures for the center as a whole.

The more blending of individual and team awards, the better, according to Leslie Hansen Harps, a business writer and author of *Motivating Customer Service Employees*. “All-individual programs—which single out one or a handful of winners—can result in excessive competition among agents that can be harmful in a team setting,” says Harps. “On the other hand, all-team programs—where everyone's contribution is recognized—may demotivate high performers who may feel their individual accomplishments are not appreciated.”

**Rewards and recognition are based on strategic productivity and quality objectives.** Successful call centers avoid the “numbers” trap when implementing and maintaining a rewards/recognition program. While straight productivity metrics such as talk time, calls per hour, and number of sales made often play a part in these center's programs, they are not the be-all and end-all in determining who (or what team) receives recognition. Top centers have effectively worked strategic quality metrics into the rewards and recognition mix as well, thus ensuring that agents focus on providing both efficient and effective service. For example, Independent Blue Cross (IBC) in Philadelphia not only considers productivity metrics such as staff time and after-call work when rewarding agents, it also places a heavy emphasis on such areas as accuracy, professionalism, attendance

and punctuality.

Disregard quality metrics in your recognition program, and your center is doomed, says Harps. “If you are committed to delivering top-notch service, your incentive programs must include a balance of quality and quantity components. Over-emphasizing ‘the numbers’—i.e., number of calls handled per shift—can negatively affect quality and service.”

In addition to giving quality the attention it deserves, some call centers are starting to do away with those productivity metrics over which agents have little or no control. IBC, for example has removed the “average talk time” statistic from its reward and recognition program. Companies like Boston Coach and many others have done the same with their “number of calls handled per shift” metric.

**The program features a mixture of monetary and non-monetary rewards.** “Just give me money” may be what John, Paul, George and Ringo were shouting, but it appears that agents are singing a slightly dif-

ferent tune. Numerous studies—including one by the American Management Association—have revealed that, while call center staff certainly appreciate cash rewards, they may be more motivated by non-monetary ones. Many centers have heeded such study findings—as well as their own agents’ suggestions—and implemented rewards/recognition programs that feature both financial gifts as well as things like paid days off, gift certificates, merchandise, achievement awards and luncheons.

According to American Express Incentive Services ([www.aeis.com](http://www.aeis.com)), “When companies try to motivate employees with an extra paycheck, the award dollars typically go toward the necessities: laundry detergent, diapers, car payments. But non-cash awards... leave participants with tangible reminders or fond memories of their hard work.” AEIS cites a three-to-one return on investment in non-cash rewards compared to cash rewards.

**Agents themselves actively partic-**

**ipate in the maintenance of the program.** Of course, the best way to know what will best motivate agents on the job and earn their gratitude is simply to ask them. The vast majority of call centers with effective rewards/recognition programs in place regularly seek feedback from their staff to cull new ideas and to ensure that agents are satisfied with how the program is being run. This is typically done via surveys and/or discussions during team meetings. However, some call centers have started giving staff more control—creating agent-led incentives task forces/committees that empower members with substantial planning and decision-making authority. At Mountain America Credit Union in Salt Lake City, Utah, for example, a Morale Team develops and implements events and activities intended to inject fun into the atmosphere while keeping fellow agents focused on customer service goals.

AmeriCredit Corp. has a similar agent-led team in place to help recognize staff contributions and to boost morale and performance. The Special Activities Committee meets monthly to plan events and contests, most of which feature food and gift certificates as prizes. In addition, the center has a Team Recognition program in place, where each team is allotted \$50 per month and is given the power to decide which team member or members deserve to be rewarded.

**The program values employee diversity.** Call centers today feature very eclectic employee bases, with agents ranging in age from 18 to over 70. Differences in race, cultural and educational background, religion and general interests are also common among agent colleagues. The most successful call centers have learned the importance of factoring such employee diversity into their rewards and recognition programs.

“We have people who have worked here for 20 years, and their incentive

### Just a Sample

There is no limit to the ways in which call centers can recognize valued staff. Below is a list of just some of the many rewards/recognition ideas that have been used by successful call centers worldwide:

- Agents’ contributions cited in company newsletter or on the intranet
- Public praise at team or centerwide meetings
- Lunch/dinner for top performers
- Agent(s) sent to a conference, seminar or workshop of their choice
- Agent(s) represent the call center at an interdepartmental meeting
- Agent(s) given the opportunity to work on special off-phone projects
- Gift certificates to local stores
- A “performance points” system that enables agents to redeem points for cash, prizes or paid time off
- Plaques or framed certificates of achievement
- Tickets to movies, concerts, sporting events, etc.
- All-expense-paid weekend away at a local resort
- A day at a spa
- “Agent Appreciation Week” celebrations
- An annual awards dinner
- Increased opportunities for empowerment and self-management
- Names/photos of consistently high performing agents placed on the call center’s “Wall of Fame”
- Handwritten “thank you” notes

needs are different from [those of] an agent who is 24 years old. You have to consider the differences and needs of individuals,” says Charlotte Baptie, field market service manager for Gordon Food Service in Ontario, Canada. To ensure that no agents feel alienated by the center’s rewards/recognition practices, Baptie strives to keep the programs varied and fresh—implementing a wide range of small monthly awards, prizes and recognition efforts rather than focusing on a couple of big contests.

At JP Morgan Chase and Co. Cardmember Services, agent diversity isn’t only taken into consideration when planning incentives, it is the very basis of the company’s most important employee recognition effort. Each year, the company’s four call centers (Tampa, Fla.; San Antonio, Texas; Tempe, Ariz.; and Hicksville, N.Y.) pay homage to the rich diversity of their staff via a series of eight separate month-long celebrations: Black History Month, Women’s History

Month, Disability Awareness Month, Gay/Lesbian Pride Month, Asian-Pacific Heritage Month, Hispanic Heritage Month, Multicultural Month, and Native American Heritage Month. Each center features its own diversity steering committee that organizes each month’s activities, which include cultural awareness discussions led by guest speakers, as well as musical and dance performances by professional groups.

### **Keep the Circle Spinning**

Of course, not all call centers have the budget for such extensive celebrations. The good news is that they don’t have to for their rewards and recognition programs to work. Many managers have learned to be creative in stretching tight budgets to ensure that staff stay inspired and feel appreciated. Gordon Food Service’s Baptie, for instance, often rewards deserving agents with food certificates and merchandise that have been donated by corporate sponsors. Another simple,

cost-effective and popular approach Baptie frequently employs is to post kudos on office bulletin boards whenever an individual or team of agents goes beyond the call of duty. As she explains, “Even the smallest recognition is important.”

Consultant Heathfield agrees, adding that companies that are lazy in terms of their rewards and recognition efforts risk losing not only agents, but customers as well.

“Make recognition a common practice—not a scarce resource—in your organization. ...Motivated employees do a better job of serving customers well. Happy customers buy more products and are committed to use your services. More customers buying more increases your profitability and success. It’s an endless circle; hop on the employee recognition bandwagon to keep the circle spinning.” ■

*This article was originally published in January 2004.*

# Use Incentive Programs to Link Desired Behaviors with Rewards

by Leslie Hansen Harps

*Regularly reinforce agents who perform well. The more often you reward behavior, the more you'll get it.*

Incentive programs “are intended to link the behavior of individual employees to the types of performance that you need in the organization,” observes Gerry Ledford, practice manager of employee performance and rewards for Nextera’s Sibson Consulting Group in Los Angeles. Incentive programs in some call centers achieve only lukewarm results or, worse yet, backfire and reinforce the wrong kind of behavior, while others exceed expectations.

“Incentive programs that are aligned with customer satisfaction, have clearly identified performance standards and are consistent” can work very well in the call center, says Anne Nickerson, principal of Call Center Coach, Ellington, Conn. She cites a successful call center incentive program in a highly complex financial industry in which the goal was to improve the accuracy of information given to customers. When the incentive program was implemented, all the necessary tools were put into place, including clear standards and expectations, a system that provided accurate information, training and “mini-trainings” for the call center agents, and a monitoring and coaching process. Reps who performed well became peer coaches and all coaches were trained and calibrated to ensure consistency in their evaluation.

Unfortunately, many call center incentive programs “tend not to be very well-implemented and often are not very well-designed,” Ledford says. Probably the single most common problem of design, he says, is failure to use a broad enough measurement base. “You need a balance of measures to reflect the different kinds of

performance you want from people. Otherwise, you’ll suboptimize.”

Design an incentive program that rewards productivity, such as handling more calls in an hour, and your service quality may suffer. But if you incent only quality, Ledford says, “you almost certainly will see productivity decline.”

A well-designed, well-implemented incentive program may have as many as three to five variables or even more, he says. Finding the right mix and balance is one of the keys to a successful program.

## Broadening Measures

Boston Coach, an executive sedan service, revamped its incentive program to increase the number of measures, reports Nancy Leeser, vice president of international reservations and customer service for the Boston-based company. “When we first introduced the incentive program,” she says, “it was based purely on quality,” measuring number of errors per transaction. CSRs who met their goal received an incentive of 5 percent of their salary. The program was deemed to be too subjective, and “we weren’t sure we were getting our money’s worth,” Leeser says.

A supervisor in the call center worked with CSRs to develop a revised incentive program through which reps can earn up to 5 percent of their salary. “It’s a multi-faceted program,” Leeser says. To determine the categories, “we selected the things that were important to us in running the business.” Reps earn points in the following categories:

- Individual attendance and punctuality.

- Schedule adherence.
- Number of transactions.
- Level reached in the company’s career pathing program (with number of points awarded increasing as the level increases).
- Improvements in number of service failures for the center as a whole.

Depending upon the overall point total, a CSR can earn a 100 percent payout, a 50 percent payout—or no payout at all.

“We are getting what we hoped for” from the program, Leeser says. Implemented last year, the program was fine-tuned this year, combining attendance and punctuality into one category and moving to a quality measure that rewards group, rather than individual, performance.

## Rewarding with Recognition

In addition to its corporatewide recognition programs, the service area of Independence Blue Cross (IBC) also uses a multi-faceted recognition program called “Blue Diamond.”

“It’s a monthly program that recognizes our service reps,” explains Hank Kearney, senior director of member service for the Philadelphia-based company. The program keys in on four areas:

- Attendance and punctuality.
- Accuracy and professionalism, as determined through monitoring (reps must receive a rating of 99.5 percent or more).
- Performing “at expectations-plus” in categories such as staff time, after-call work and follow-up work.
- Going above and beyond the call of duty.

Contributions in the last category are noted by a rep's supervisor, says Roe Tabasco, manager of quality assurance and training for IBC. For example, a rep may have helped train others within the unit, handled special projects with timeliness and accuracy, worked overtime, received complimentary letters from members, made suggestions for improving work operations or simply may have been an enthusiastic, motivated coworker.

Blue Diamond awards are given out on the last Friday of each month on "Blue Diamond Day." Reps who have earned a Blue Diamond receive a certificate, a blue diamond to put on the certificate and a gift voucher for the company cafeteria. The number of individuals who receive Blue Diamonds varies, with perhaps 10 to 20 of the 225 service reps at the call center recognized each month.

Once a year, a recognition breakfast is held for the top Blue Diamond winners. Awardees receive a certificate, an American Express gift certificate and a gold coin (part of the company's corporatewide recognition program).

The program has been in place for more than five years and is very suc-

cessful, Kearney says, especially with reps who are making the call center their career.

## Balance Service and Productivity

When developing an incentive program, suggests Gerry Ledford, first define what role the call center plays, then identify key measures that support that role. That way, you can tie rewards for the individual to the type of performance you want from the call center. For example, "if you don't see the call center as a sales channel to reach customers and expand the business, then rewarding cross-selling is a waste of time," he says.

Use a balanced mix of metrics, Ledford advises. For example, a productivity measure, such as number of calls per hour could be balanced with a metric from customer satisfaction surveys or measures of individual quality. It's crucial not to reward productivity at the expense of service quality, and vice versa.

"Productivity is a lot easier to measure than quality," according to Nancy Leeser. "You have to put your money where your mouth is on the

quality piece, going out of your way to reward quality." Boston Coach does not include number of phone calls in its incentive program, she says. "We reward things which lead to that—if you're in your seat, adhering to your schedule, you will take more phone calls. But we've never given a target number of calls reps need to take in a day."

Independence Blue Cross intentionally does not include a productivity category in its recognition program. "We want to send the message that we'd rather have it done right the first time, so we do not emphasize the reps having to take a certain number of calls, or having a certain average talk time," says Hank Kearney. "I'd rather have a rep with a higher talk time who delivers quality service—one who's leaving customers wowed—than a rep who moves customers in and out quickly."

## A Learning Opportunity

For an incentive program to change behavior, it's important to combine it with coaching—particularly when it comes to service quality, says Anne Nickerson. She describes an ideal incentive program as one that has "clear, consistent rewards tied to improvement in behavior, with opportunities for everyone to understand and learn what that behavior is and looks like."

This includes giving call center agents feedback immediately after a call and letting them know what they can do to improve their score, as well as their management of the customer. "Deliver the feedback in a way that's very specific," Nickerson advises. "Give examples, models and approaches that the person can use" to improve their performance

An incentive program combined with coaching will get better results, agrees Gerry Ledford. "People tend to act as if you can announce an incentive plan, turn on the switch and it will work. That's not the case. You

### A Different Look at Incentive Programs

"To me, delivering a certain level of quality and efficiency with productivity is how you keep your job," notes Donna K. Richmond, president of the Richmond Group, a customer service consulting firm located in Wheaton, Ill. "I think that an incentive should be for above and beyond the call of duty."

Richmond has strong feelings about incentive programs in the call center. "The goals have to be a real stretch, but they also have to be reachable." She cites the case of one call center paying a base salary of \$20,000, with a potential incentive payout of as much as \$10,000. "But the incentive was nearly impossible to get," Richmond says. "Once the agents realized it wasn't doable, they either quit or stopped trying."

She also suggests that managers examine whether they can achieve the results they desire without an incentive program. "Can you get the same or better results by paying people more money, and getting more talented, more experienced people?"

Finally, she advises, don't treat the incentive program in a vacuum. "If you're monitoring people for the program, take advantage of the an opportunity to look at the whole picture." Examine the process and root out barriers that may get in the way of agents doing their jobs.

have to do all the hard management labor of communicating, training, reinforcing, monitoring and coaching” to get the results you want.

“It’s quite possible to get unintended results, to unintentionally reinforce behaviors you don’t want,” he says, so it’s critical to monitor the incentive program to make sure you’re getting the results you expected.

### **What Type of Reward?**

“All things being equal, dollars are going to be more effective than praise” as a reward, according to Ledford. “While different things have different reward value for individuals, almost anybody is going to find money motivating.” The question is, how much money does it take to drive a change in behavior?

“The available evidence suggests that an incentive becomes powerful when it represents 5 to 10 percent of base pay,” Ledford says

“Money is one incentive, but there are many more,” observes Anne Nickerson. “I also see incentives that are fun, that help improve morale.” At

one call center, for example, agents who earned a certain number of points could put leaves on the branch of a tree. Each completed branch was worth so many points, which could be turned in for rewards such as massages, manicures and pedicures, free pizza and certificates at the local mall. Agents loved the program and the prizes.

At a health care and financial services call center, Nickerson says, when agents met and maintained a specified quality goal, managers would make and serve breakfast or serve reps an afternoon treat from a fully equipped snack cart. In another call center, an entire team that cleaned up a database earned a trip to Las Vegas by “beating the clock.”

Whatever reward you decide to use in your incentive program, remember that “the more often you reward behavior, the more often you’ll get it,” Ledford says. Monthly or quarterly incentive programs are the most common. If the time horizon is longer than that, the program is less likely to reinforce the behavior

you’re seeking. So make sure there’s lots of communication and publicity to keep interest high.

### **Are They Worth It?**

Incentive programs that are designed and implemented well can pay off handsomely. Gerry Ledford cites a study conducted for the American Compensation Association. The study, which looked at 660-plus incentive plans across a range of industries, identified the net return on payout as 134 percent. “That’s for an average payout of three percent,” Ledford says. “Typically, the higher potential for gain, the higher the success rate.” Companies in the most successful quartile in this study had a whopping net return of 378 percent.

While there have been some whopping failures, on the whole, incentive programs are quite effective Ledford says. “And they’re one of the most successful types of intervention you can come up with.” ■

*This article was originally published in April 2001.*

# Comprehensive Motivation Scheme Soaring at Middle Eastern Call Center

by Greg Levin

*A call center discovers the secret to a successful motivation program: Offer a wide range of awards, and get agents involved in managing the program.*

The biggest challenge for agents and supervisors at The Contact Centre in Ajman, United Arab Emirates (UAE) isn't memorizing the training manual, mastering the various call types, nor handling peak periods—it's trying to keep track of the center's various weekly, monthly, quarterly and annual awards and incentives.

In April 2001, the 742-staff call center—which handles all calls and Web contacts for Etisalat, the major telecommunication services provider in the UAE—introduced a multifaceted motivation program that focuses not only on agents but also on supervisors. Management implemented the program in hopes of fostering healthy competition among staff, empowering employees and encouraging them to display creativity and initiative, as well as to increase overall job satisfaction and employee retention.

Mission accomplished. Since the inception of the motivation program, agents are not only providing top-notch customer service and showing more confidence in their abilities,

they are starting to view the call center less as a stop-off point and more as a place to have a career. "The majority of the staff is more loyal to their work," says Qasim Burney, marketing specialist for The Contact Centre. "In 2003, the center achieved the lowest turnover rate [based on voluntary resignation] ever—3 percent."

Burney adds that the motivation program has also made all call center staff more aware of their own responsibilities, as well as those of others, thus "creating a better understanding of call center performance and management."

## Awards at a Glance

Here's a brief look at the primary awards/incentives that comprise The Contact Centre's comprehensive motivation scheme:

**CSR OF THE MONTH.** Each month, one agent from each of the call center's sections is named CSR of the Month. The coveted award is based on agents':

- customer care skills

- attitude
- quality of service provided
- job knowledge
- productivity
- attendance and punctuality

Each CSR of the Month is publicly recognized via an announcement and posting within their work area, as well as via notice boards throughout the center, not to mention a blurb in the company's quarterly newsletter. In addition to being recognized among their peers, CSRs of the Month get a few tantalizing and tangible goodies, including a certificate of achievement and a gift voucher to shopping malls/department stores. Winners also get to choose one of three additional perks for the month following their award: a covered parking space; or select shift duty; or select days off from work.

**CSR OF THE YEAR.** One agent from each section is selected at the end of each year, based on his or her cumulative performance throughout the year in the areas previously defined in the CSR of the Month award above.

In addition to receiving recognition via announcements, notice boards and newsletters, CSRs of the Year are formally recognized and rewarded (with a certificate and a range of gifts) at the company's annual get together party.

**SUPERVISOR OF THE QUARTER.** Every three months, one supervisor from each section receives this honorable distinction. Winners are determined based not only on job knowledge, service level achievements and attendance/punctuality, but also on feedback from agents in the call center. Thus, this award serves as a sort

## Quick Tips for Managing Motivation

The Contact Centre's Qasim Burney provides the following tips for sustaining a successful motivation program:

- Document all program criteria, requirements and updates, and clearly communicate that information to agents, including trainees.
- Incorporate a mix of weekly, monthly, quarterly and annual awards that recognize both individual and team/group performance.
- Regularly solicit staff feedback and suggestions on how to improve the program, and when implementing an agent's suggestion/idea, do so as publically as possible.
- Foster continuous enthusiasm and healthy competition by frequently promoting the program.
- Be flexible and open.

of double incentive—motivating supervisors to perform at peak levels, and empowering agents with an important voice in deciding who wins the award.

Supervisors of the Quarter receive a certificate of achievement as well as recognition on notice boards and in the quarterly newsletter.

**SUPERVISOR OF THE YEAR.** As with CSR of the Year, this award is based on cumulative performance throughout the year and on the same criteria used to determine the winners of the Supervisor of the Quarter award. One supervisor is selected from each section in the call center, and is recognized via notice boards and newsletters, as well as at the annual get together party. Among the rewards that winners receive are a certificate of achievement and various gift items.

#### **TRAINEE OF THE YEAR.**

Essentially a “Rookie of the Year” honor, this award is bestowed upon the best new agent in each section—based primarily on their quality scores, productivity and attendance/punctuality throughout their first year. The very fact that this award even exists is a testament to The Contact Centre’s very low agent turnover rate (in many other call centers across the globe, if a trainee sticks around for more than a year it’s considered a small miracle).

Like all other annual award winners, Trainees of the Year receive recognition (and rewards) at the companies end-of-the-year gala, as well as via notice boards and newsletters.

**SECTION OF THE YEAR.** This award adds the important element of team recognition to the call center’s motivation program. It is given to the section that performs above all others in: volume of activity; effectiveness of activity; and cooperation, help and

support of other sections within the call center.

The winning section receives a trophy and public recognition at the company’s annual party.

#### **SUGGESTION OF THE YEAR.**

More proof that The Contact Centre highly values the input and feedback it receives from its frontline staff. Throughout every year, employees are strongly encouraged by a management committee to make suggestions and recommendations on how service and quality might be enhanced at The Contact Center (as well as at Etisalat itself). The committee evaluates these ideas, focuses on those that it feels have high potential and, whenever possible, implements them in the call center. At the end of each year, the committee selects the best suggestion, and the employee who submitted it receives a certificate, notice board and newsletter coverage, as well as a shining moment on center stage at the annual party.

And those are just the *formal* awards that make up the motivation program. The Contact Centre’s Burney points out that there are additional informal incentives and awards for individual agents and teams throughout the year. “There are various awards for staff who have performed exceptionally well,” says Burney. “While these awards are not officially recognized, they are fully supported. Team leaders and Operation officers are encouraged to display their creativity and staff management skills by demonstrating their ability to deliver many motivation programs.”

### **Agents Instrumental in Program’s Maintenance**

While such a diverse range of awards and recognition is important, it’s the active role that agents are asked to take in helping to manage

the motivation program that makes it so successful. The Contact Centre continually seeks agent input and feedback regarding the strength of the program, and more importantly, acts on the findings.

One of the more formal ways in which the center gathers such feedback is via a Motivation Program Satisfaction Survey. As Burney explains, “All valuable suggestions and comments from the survey are used to further develop the program.” He adds that agents are also involved in evaluating their supervisors, and that the comments gathered from those evaluations often lead to improvements in the motivation program.

A few of the agents’ survey suggestions that have been implemented in the call center include:

- Allowing agents to view their collective evaluation results
- Specific ways to improve coaching and supervision activities
- The incorporation of the motivation program, quality management system, and corporate policies into new-hire orientation. All trainees now receive information on these critical areas before formal training even begins.

Of course, not all agents’ suggestions for the motivation program can be implemented, but that doesn’t seem to bother staff. According to Burney, most are thrilled just to be asked for their ideas and, more importantly, to have those ideas taken seriously. “Our CSRs know what they want, and we encourage them to ask for what they need. While all their needs may not be met, they are certainly considered. This consideration itself is a great motivator.” ■

*This article was originally published in November 2004.*

# The Benefits of Online Incentive Programs

by Chris Heide

*Online incentive programs offer easy performance tracking and a quick way to reward desired behaviors.*

A well-designed agent incentive program can work wonders in a call center by improving agent productivity, boosting morale and reducing turnover. But the key to making these programs work lies in the ability to track agent performance accurately and reward desired behaviors quickly.

Program administration is where traditional incentive programs often falter. Keeping participants apprised of their standings by informing them of how many points they've earned, how close they are to achieving a reward and how their current performance compares to other participants is essential for several reasons:

- Informing participants of their progress helps keep them committed to the program.
- Companies can gauge the incentive program's effectiveness, which allows managers to fine-tune it while it's in progress.
- It's the vehicle by which information is captured for timely reports and analysis.

Without careful administration, even the most well-designed incentive program will suffer.

## Drawbacks of Paper-Based Incentive Programs

Here's a case in point: A California credit union has several ongoing call center incentive programs. Payouts for incentives, which are based on referrals, are tracked manually. The process has led to reporting errors, slow payout of incentives and disputes between agents about who should qualify for a particular incentive. For example, the credit union pays agents \$3 per car sales referral, even if the customer doesn't qualify for the loan or decides not to buy a

new car. Agents receive \$8 for a referral that turns into a sale.

While the program may sound pretty straightforward, there are potential drawbacks. Because the referrals are tracked on paper, there is a significant lag between the time when the desired behavior is performed and when it is rewarded. In addition, Customer A may talk with one agent one week and another the next—but both agents refer the customer for a car loan. Paper-based programs make it more difficult to track

double-referrals.

## Benefits of Online Incentive Programs

Over the past few years, many companies have eliminated the paper-based obstacles by moving their incentive programs online.

"The Internet offers the means to deliver communications, training, measurement and rewards as never before imagined and draw them together for unparalleled synergy," says Bill Termini of Hinda Incentives,

### Online Incentive Program Resources

Following is a brief listing of organizations that can help to design an online incentive program or move your existing program to the Internet:

- All Star Incentive Marketing ([www.incentiveusa.com](http://www.incentiveusa.com))
- Bravanta ([www.bravanta.com](http://www.bravanta.com))
- CompanyDNA ([www.companydna.com](http://www.companydna.com))
- Diamond H Recognition ([www.diamondh.com](http://www.diamondh.com))
- eMaritz Inc. ([www.emaritz.com](http://www.emaritz.com))
- Galactic Ltd. ([www.galacticmarketing.com](http://www.galacticmarketing.com))
- Hinda Incentives ([www.hinda.com](http://www.hinda.com))
- InMarketing Group ([www.inmarketinggroup.com](http://www.inmarketinggroup.com))
- Paramax ([www.pmx.com](http://www.pmx.com))
- SalesDriver.com ([www.salesdriver.com](http://www.salesdriver.com))
- Snowfly ([www.Snowfly.com](http://www.Snowfly.com))
- The Sharper Image ([www.sharperimage.com](http://www.sharperimage.com))
- USMotivation ([www.usmotivation.com](http://www.usmotivation.com))
- Xceleration ([www.xceleration.com](http://www.xceleration.com))

### ASSOCIATIONS

- The Incentive Promotion Council ([www.incentivecentral.org](http://www.incentivecentral.org)) was formed to protect the rights of organizations to motivate customers and employees through the intelligent and ethical use of incentive programs. Made up of the leading associations and trade shows in the incentive field and some of the top suppliers, the federation monitors federal regulations that could affect the proper use of incentive programs. It also manages the Incentive Promotion Campaign, an industry-wide effort to promote professional use of incentives.

- Incentive Marketing Association (IMA) ([www.incentivemarketing.org](http://www.incentivemarketing.org)) represents members who provide incentive merchandise and services. It offers incentive seminars in conjunction with The Motivation Show in Chicago and the New York Premium Incentive Marketplace. It also sponsors the Online Incentive Council, ([www.useonlineincentives.org](http://www.useonlineincentives.org)) a strategic industry group whose member companies promote the benefits of online incentive solutions.

a Chicago-based incentive house.

The critical difference between a traditional program and the online alternative is the speed at which participants send and receive information. Tapping into the Internet gives your program a sense of immediacy.

Although companies have been experimenting with online incentive programs for the past few years, the real power the Internet can bring to incentive programs is just being discovered, says Mike Hadlow, president of USMotivation, an Atlanta-based provider of both online and off-line incentive programs. He adds that recent advances in technology have made online programs more user-friendly. For example:

- Programs are customizable.

Tailored reward catalogs are available. In addition, it's fairly easy to create incentive themes around recurring holidays and special events, such as Customer Service Week, Thanksgiving and Christmas.

- Data management is more flexible. New systems allow for multiple query levels of performance data. Since data can be reported by region, agent and product line, managers can identify areas for additional training, which can be supplied online and customized to the individual.

- Reporting systems are more robust and flexible. Companies can take advantage of more graphics to make reporting more user-friendly. In addition, user-defined reports instead of pre-programmed reports are possible.

- Program administration is simple. Making changes, reporting results and mining data are relatively simple tasks. All the information that program participants need can be sent, received and viewed on a real-time basis. Email programs also allow administrators to get an idea of participants' interest in a specific program by tracking their email behavior, such as whether they open a message or just delete it. (Although this capability exists, Hadlow says tracking employee participation is better meas-

ured through incentive program performance and results.)

- Achievement can be quickly rewarded. Agents participating in online incentive programs can log onto the Web site anytime to check their personal status, including goals met and points earned. They can also browse digital catalogs and instantly order a wide range of merchandise and other awards.

- Online programs build a greater sense of community. Password-protected Web sites allow participants to enter chat rooms and access bulletin boards to discuss the program with other agents. Some companies even post pictures of high-performing participants online, along with brief write-ups about them.

- Higher participation. The speed of redemption, as well as instant communication and regular tracking of results, appeal to people and encourage them to participate.

- Lower costs. "By utilizing Internet technology, we have seen most of our clients' administrative expenses reduced to 5 percent or less of their total program budget compared to 15 to 25 percent in a traditional program," says Hinda's Termini. "Many companies take the savings and spend them on more valuable awards, which often helps to encourage greater participation."

Even more significant savings are realized through efficient administration. "Research indicates that the cost of processing a single transaction through a paper catalog and phone-in order is about \$15, compared to \$1 through an online tool," he says.

### Fun Should Be a Key Component

Whether your incentive programs are online or off-line, making them fun will boost participation, says Bob Nelson, president and founder of Nelson Motivation Inc., a management training consulting company located in San Diego, Calif. "There's a big difference between getting people

to come to work and getting them to do their best work," he says. "Making work fun brings out the best in people."

Tyler Mitchell, vice president of product development at Snowfly, an online incentive firm based in Laramie, WY, agrees that fun should be a critical component of any online incentive program. Snowfly's online approach is to link improved employee behavior to the incentive itself, and make the reporting procedure more enjoyable by making it a game. For instance, the utilities division of a credit processing firm implemented an online incentive program in its Dallas call center. Each position has set job performance requirements that are measured on a daily, weekly or monthly basis. Snowfly's Web-based program's user interface is a graphic of a slot machine. Agents who reach their job performance goals earn daily "pulls" on the slot machine.

To ensure agents aren't playing the virtual slot machine when they're supposed to be taking calls, they must log onto the program from special kiosks in the call center or from their home computers. Each time they play, points are deposited into the agents' personal accounts. Points are accumulated and can be redeemed online for various rewards, including gift certificates, merchandise and scheduled time off.

The call center's agents are enthusiastic about the program, says one supervisor. Agent performance and morale is up, which is reflected in the quality of service provided to callers.

"One of the best features is the ability for supervisors and managers to provide immediate feedback and recognition to agents," adds one manager. "Supervisors receive information about their agents' daily performance and have the opportunity to send an immediate message to congratulate them." ■

*This article was originally published in August 2003.*

# The Do's and Don'ts of Agent Rewards and Recognition

by Greg Levin

Hell hath no fury like an agent unrecognized. While we rarely read about it in mainstream call center media, each year dozens of supervisors and managers are killed—some seriously—by under-appreciated agents on the rampage. Why, just last month in an investment services call center in Tampa, a veteran agent—who claimed he'd “never received so much as a lousy thank-you note” for his years of service—kidnapped the center's five team leaders and forced them to live off his paycheck. (Sadly, all five starved within three days.)

It seems that it always takes a tragic incident such as the one just described to get call center professionals to pay attention to the problem of poor rewards and recognition. Well, now that I have your attention, allow me to provide you with some essential tips on what to do and what *not* to do to when implementing agent incentive programs. It's your choice: either you can heed my expert advice and enjoy years of agent mirth and retention, or you can continue to ignore your most valuable assets, and risk getting seriously murdered or worse.

## The Do's and Don'ts

**DO** combine a healthy blend of both individual and team-based recognition. It's very important not to let the really dumb agents in your call center find out that you strongly favor the mediocre agents who work there. So, in addition to rewarding and recognizing those individuals who almost deserve it, be sure to also create a few team-based incentives that are based on performance goals that even a group of total simpletons or your board of directors could attain. For example, you may consider

rewarding your entire call center staff with a collective gift certificate every day they remember to wear pants to work, unless, of course, you happen to work in a pants-less environment, in which case you may want to restructure the incentive to reward compliant teams with a good space heater.

**DON'T** focus solely on productivity-based performance objectives. When creating incentive programs, too many call centers get caught up in the numbers game—fixating on traditional measurements such as “average handle time” and “number of customers tricked into purchasing overpriced products they don't need.” If you only reward agents for accomplishments in these quantitative categories, quality is likely to suffer. Agents need to see first-hand that, in addition to efficiency and productivity, the call center highly values such things as stellar attendance, courteous service, and the ability not to sue the company for repetitive stress injuries even when it's clearly at fault.

**DON'T** rely solely on monetary rewards. While money certainly motivates many employees, there may be some agents on your staff who hit their heads hard as children and, as a result, seek something more than mere cash incentives. A recent study on employee motivation conducted by ProTivate—a consulting firm specializing in charging exorbitant fees for its employee motivation studies—revealed that five in seven call center agents find contests featuring monetary rewards to be only mildly effective in creating enthusiasm and commitment on the job, unless of course they actually *win* those contests. As a result, many call centers have begun supplementing pure cash incentives with things such as gift certificates,

movie passes, free lunches, paid time off and “employee of the month” awards. Other call centers have taken the money previously used to reward staff and are using it to pay a psychiatrist to find out what in the hell is wrong with their agents who aren't motivated by cash.

**DO** empower agents to participate in the creation and maintenance of the program. Doing so is actually an incentive in itself, as it helps staff to see how much the company values their opinions and how much it fears losing such laughably cheap labor. In addition to asking agents for their preferences regarding rewards and recognition, you may even want to pay attention to their answers, even if it means having to momentarily put down the Steven Covey book you are reading at the time and listen. Remember: Agents understand the frontlines better than anybody else—as evidenced by their high rate of depression and psychosis—and thus should be considered essential sources when creating incentives in the call center. Many top call centers have gone beyond merely surveying staff, creating agent-led incentive teams that are responsible not only for coming up with new rewards and recognition ideas, but also for answering to senior management when it asks why overall morale and performance in the center continue to suck.

**DON'T** forget to consider diversity and inclusion issues when developing incentives. Call center frontlines are populated by an eclectic mix of people representing a wide range of ages, backgrounds, nationalities, and GED scores. If any individual or group feels that certain incentives or rewards are inherently biased, it can have a detrimental effect on cohesion and per-

formance in the call center. For example, a manager of a pharmaceutical supplies call center in Cleveland recently told me that its unique “pill-for-performance” program—a hit with the center’s older employees—received

harsh criticism from other agents who weren’t fortunate enough to be suffering from high blood-pressure or cholesterol. Likewise, a large group of Generation X-ers recently revolted at their software support call center in

San Francisco after management introduced a rewards/recognition initiative that required employees to give a damn about something. ■

*This article was originally published in July 2004.*

# Innovative Ideas for Customer Service Week

by Greg Levin

National Customer Service Week is set to kick off on Monday, October 7, and this year's celebration is expected to be the biggest ever. In fact, the National Board of Health has already issued a nationwide "helium advisory" (last year during Customer Service Week, millions of innocent citizens suffered sudden bouts of high-pitched speaking caused by the careless popping of call center balloons across the country).

While balloons play a big part in the celebration, call centers need to move beyond noble gas-based incentives to get agents pumped up about Customer Service Week. This is a time to recharge your staff; a time to make them feel proud of what they do; a time to show them how much you appreciate the fact that they haven't yet sued you for repetitive stress injuries received on the job.

Here are some truly creative activities that your call center can incorporate into its Customer Service Week celebration to inspire your staff to pretend to be happy and to help them see that you pretend to care.

*Note:* Customer Service Week was created by a U.S. service professional's association in 1988 to honor frontline service employees and to help companies specializing in selling party decorations to make an obscene amount of money in a ridiculously short period of time.

- **Have agents and executives switch places.** This is an excellent way to demonstrate your respect for the work that agents do and to watch senior managers sweat like triathletes. Having executives handle calls for a few hours will help them see things from the agents' perspective. And having agents fill upper-management shoes for a few hours will help them work on their back-swings as well as reduce their tendency to slice the ball.

While having agents and executives switch places is meant to be a fun activity, doing so without at least

a little instruction and supervision can be risky. It's a good idea to give senior managers a quick training session on "the basics" to help them effectively service customers, as well as a detailed map to help them find the call center on the big day. Be sure to also provide agents with some executive survival skills training, including such modules as "Maximizing Your Martini Lunch," "Ruining Families to Raise Profits," and "How to Keep Your Hair from Moving."

- **Hold an awards ceremony.**

There are few better ways to let each agent know how valued they are by the company. Those few better ways include removing the straps from their workstation chairs, lowering the voltage of the prodder used in coaching, and reducing the number of personal calls that you monitor.

Still in all, the awards ceremony idea ain't bad either, especially if you take the time to present each agent with a personalized award of some type. For instance, give your top seller a giant chocolate dollar sign, or give your top absenteeism offender a box of Cracker Jacks with the prize missing.

Remember—the awards needn't all be material items. For example, if you have an agent whom your most valued customers complain about regularly, call him up to the podium during the awards ceremony and just kick him hard in the shin. While the pain may bother him a bit, the thrill of being recognized among his peers will more than make up for it.

- **Organize a "battle royale."**

Years ago, respected members of the professional wrestling community brought us the battle royale—a primitive fighting venue in which a whole mess of people jump into a ring and try to tear each other apart. Allowing your agents to participate in a similar event is an excellent way to help them relieve job-related stress and get some much-needed exercise in

the call center. Several recent studies have shown that call centers that sponsor battle royales experience a dramatic reduction in employee boredom, turnover and teeth.

All you need to ensure that the battle royale is a success is a large room (preferably without any windows) that has been emptied of any expensive equipment, as well as a team of supervisors to throw pacifists back into the fighting space. To enhance agent enthusiasm to do battle, consider tossing the center's workforce manager into the ring. To enhance senior management buy-in to the idea, tell them that the center aims to net a couple million dollars in pay-per-view profits.

- **Show staff how good they have it.** Customer Service Week isn't just about having fun and spoiling agents; it's also about helping them to see that they are already pampered enough and have no right to complain. To clearly demonstrate this fact and make agents learn to appreciate all that they have, consider taking them on short field trips to a coal mine, a commercial fishing boat, and an outbound service bureau.

It's also a good idea to temporarily strip agents of the usual comforts they take for granted every day in the call center. For example, if your center is located in Northern Maine or Sioux City, N.D., turn off the heat for a couple of days. Or if you are in Phoenix, turn it on. Other recommendations include replacing agents' soft seat cushions with shards of broken glass glued to an uneven concrete base, and coating the earpiece of their headsets with Tabasco sauce.

*Publisher's Note: If you are interested in receiving more Customer Service Week ideas from Greg, you should be ashamed of yourself. ■*

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# About Incoming Calls Management Institute (ICMI)

ICMI Inc. is a global leader in call center consulting, training, publications and membership services. ICMI's mission is to help call centers (contact centers, help desks, customer care, support centers) achieve operational excellence and superior business results. Through the dedication and experience of its team, uncompromised objectivity and results-oriented vision, ICMI has earned a reputation as the industry's most trusted resource for:

- Consulting
- Seminars
- Publications
- Management Tools
- Conferences and Networking Events
- Professional Membership

Based in Annapolis, Maryland, ICMI was established in 1985 and was first to develop and deliver management training customized for call centers. Through constant innovation and research, ICMI's training has become the industry's gold standard, and is recommended by 99.3% of those managers who have experienced its value first-hand. Over the years, ICMI has become the industry's leading provider of membership services with an impressive line-up of call center management resources, including instant access to prominent research, expert advice and career development tools, and a networking forum that spans more than 40 countries worldwide. ICMI is not associated with, owned or subsidized by any industry supplier—its only source of funding is from those who use its services. For more information about ICMI, visit [www.icmi.com](http://www.icmi.com), or call 800-672-6177 (410-267-0700).



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## Recommended Reading

[Principles of Effective Motivation](#)  
Product Number: AB00003

[Encouraging Agent Retention through Call Center Culture](#)  
Product Number: AB00007

[Agent Staffing and Retention Study II](#)  
Product Number: RS00004