



Tip Sheet

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Motivating Performance—Money isn't Everything

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What does Mickey Mouse know about running a business? Quite a lot, actually. The Disney Institute (Disney's own corporate school) is teaching students from around the world that the key to customer loyalty and bigger profits is superior employee commitment and motivation.

"treat employees like you care."

At Disney, managers spend 75 per cent of their day in the work area, seeing first hand what is going on. Valerie Oberle, Vice-President Disney University Professional Development Programs says their seminars teach that a successful business must "treat employees like you care." At Disney this means recognition for work well done—from lunch certificates to a family stay at one of the resort's hotels. Noticing and rewarding performance is an essential long term strategy in developing loyal, committed employees.



Disney's approach is consistent with management research studies. Research shows that personal recognition is more effective than monetary rewards in maintaining long term performance. Yet many managers steer way from performance based rewards because they're seen as expensive. Still other organizations wait until they have a comprehensive performance management program.

There are several valuable approaches for supporting and encouraging high individual performance. For example, we teach many managers coaching and performance feedback skills. And while a full fledged performance management program is best, in its absence we encourage organizations to begin using cost-effective, appropriate rewards to motivate and acknowledge top notch employee performance.

Those who have taken an organizational behaviour course know that many academic models describing the human performance process may seem complicated and obscure. But it doesn't have to be difficult. As practitioners we know that the process of human performance is actually a very simple continuum of behaviours which has the following elements:

- an individual must know and agree with what needs to be done, so he or she can expend energy and effort. An example of this might be a monthly sales target.
- the individual's effort must result in some kind of performance standard such as reaching or exceeding a sales goal.
- associated with that performance, the individual obtains some kind of reward. Examples may be feeling good about doing a job well or receiving some kind of bonus.



