



## **Reward Programs**<sup>®</sup>

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### Why Implement? Do you have one? Does it work?

Many veterinary practices offer some form of monetary/no monetary reward program to their employees to recognize and encourage good performance- a key motivational tool. Reward programs are most effective when employees know about their existence and the programs are dynamic to meet the practice's evolving needs.

Why implement? Through reward programs, practices can recognize exceptional accomplishments, motivate staff, contribute to job satisfaction, increase productivity, attract talent, establish the organizational culture and decrease turnover. The first step in using rewards to maximize motivation is to develop a strategic rewards framework. Different types of programs are effective, depending on specific goals they are intended to accomplish such as 1) motivating top-performing employees to continue a high level of achievement, 2) achieving business goals, 3) improving employee morale and satisfaction, 4) retaining top-performing employees, 5) educational achievement and 6) recruiting new employees.

Monetary rewards can be based on long term objectives such as incentive compensation, year-end bonuses, profit sharing or short-term goal achievements such as President's awards, spot bonuses, gift cards, new hire referral bonuses and service awards. Nonmonetary rewards can be verbal recognition of work well done – positive feedback, prestige awards, job content awards, written thank you letters, staff appreciation events, a day off and office accessories.

Do you have one? Perhaps you do have a reward program for the areas mentioned above but are you evaluating, planning and evolving yours to focus on other innovative areas for recognition and motivation. For example, do you use them to 1) champion change, 2) process and systems improvements, 3) diversify markets, and 4) display the practice's core values and innovation?

Reward and recognition should be given timely so that the time between the event and the acknowledgement of a job well executed should be as short as possible to reinforce the connection – about 2 weeks to a month. Many times we should 'Reward in the Moment' and celebrate the success or acknowledgement of the event achieved on the spot.

Practices will face challenges in implementing and administering reward programs. The challenges can include, 1) funding the program to reward top-performing employees, 2) setting appropriate target goals, 3) employees feeling resentful that they did not get rewarded, 4) ability to measure achievements, 5) employees understanding of the programs and 6) communicating programs to employees.

Does it work? Are your employees motivated? Success of a reward program is dependent upon setting appropriate goals that balance both intrinsic and extrinsic motivation. If the goals are too easy, the practice gets nothing more than what would have been achieved. If the goals are too difficult, employees may not try to achieve them. The goals should be difficult but doable, combining intrinsic and extrinsic based total rewards.

Check yours and determine if you have to realign your reward programs by determining performance in actionable terms (make operational), measuring the right metrics (determine which behavior you need more or less of in order to achieve your objectives) and create reward systems that work (increase the probability of a future response).