

VAN Radar 2019

Roundtable session summary

Session: Driving performance and retention through non-financial incentives

Presenter: Peter Kirk, Quill Group

In every business, there are usually star performers. Business owners often wonder: “What if I had two or three times as many really effective and engaged people in my business? How can I take some middle performers and move them up the scale?” This is especially true in the race to secure talent when you’re competing with the Big 4 banks.

Importantly, when it comes to driving performance, money isn’t everything. As long as people feel they’re being treated fairly, money is actually low down on the list of incentives. Sometimes, bonuses do more harm than good. Non-payment of a bonus is more demotivating than the bonus in the first place. And, if sales staff get a bonus, but people in their support team don’t, this can seem unfair.

In contrast, non-financial incentives can:

- Attract high-performing employees
- Increase employee loyalty and commitment
- Motivate and engage all employees
- Enhance employee productivity and performance
- Minimise employee turnover

The Quill Group implemented three non-financial incentive programs

ThankQ – A popular system allowing recognition and feedback from a peer-to-peer and management level, as well as access to retail discounts and rewards.

- Gives all team members the opportunity to regularly thank and congratulate others via eCards
- Provides employees with their choice of after-tax fringe benefits (petrol, shopping vouchers) up to \$2,500 p.a.

FlexiQ – Flexible work arrangements available for employees to achieve work-life balance, which piqued the interest of male and female employees alike. The program had its challenges:

- Asking ‘why’ they want to work flexibly can seem invasive and judgemental, but it’s a way to gain insight into the person.
- Having directly supervising managers coming in late can delay the junior people, so it was the hardest role to make flexible.

However, 12 out of 64 staff now use ongoing flexible work arrangements. The remainder use ad-hoc flexible arrangements, which is handled at a team / operational level.

*If you’ve got the people who abuse the system, they’re not the right people for your business.
— VAN community member*

HealthQ – A voluntary program to assess an employee’s health and fitness and provide a tailored plan to achieve their fitness goals, based on the insight that exercise is a key way to counter poor mental health. The program was offered in partnership with a personal trainer who designed a 10-week health and wellness program.

The program's focus on health and nutrition has completely changed lunch room habits. For some people, the difference was life-changing.

Over a 10-week period, the program ended up costing less than \$300 per employee and had an **ROI** of approximately **\$1: \$4 to \$6 return**

Overall business impacts from all three initiatives:

FlexiQ

- The retention of key staff has been excellent
- 3 employees now working interstate

ThankQ

- Program embraced by 97% of staff
- In 2018, there were 633 eCards sent within Quill – 2,709 to date
- In 2018, the spend was \$174,863, with a saving of \$11,608 – total savings to date are \$19,864
- Quill team culture is to thank each other for their work and congratulate on their achievements

HealthQ

- Employees have made life changing decisions
- Increase in energy levels and staff engagement
- Positive outlook in both home and work life
- Overall business impact of reduced sick leave

Peter Kirk is a Relationship Manager and Executive Director at Quill Group.