



Global Incentive Program Considerations

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Global reward fulfillment is, to be sure, a critical aspect of global program operation, and it needs to be executed flawlessly. However, companies often mistake the reward for the program. It is important that rewards are more than an afterthought, but rather are part of a comprehensive incentives strategy.

Because it is so important, let's first discuss the key element of a successful global reward strategy: local fulfillment utilizing culturally appropriate rewards.

Many companies operating a global incentive program attempt to fulfill rewards from one central location, or use the same award for all participants regardless of their location.

Every company has horror stories of awards lost in customs, the high cost of shipping rewards from one central location to multiple locations around the world, or the award that was inappropriate for the target audience (i.e. leather Bomber jackets that one company offered its participants in India).

How does a company motivate a diverse, worldwide workforce consistently when priorities and lifestyles from region to region are so different?

To achieve a selection of rewards that motivates requires local fulfillment partnerships and variability in the rewards offering rather than a one-size-fits-all approach. The rewards selection needs to include a wide range of choices that are appropriate for the pertinent geography. It's also important that rewards are tangible, so that participants can visualize the rewards for their performance. Research has consistently indicated that tangible non-cash rewards are most effective at driving incremental performance.

Few incentive partners have the global reach that enables them to fulfill rewards that are motivating, culturally appropriate and cost effective in multiple regions.

But it's important to remember that there are other elements of a successful program above and beyond reward fulfillment alone.

The increasing globalization of the workforce requires that sales and marketing managers and HR professionals design incentive programs that take into account the diversity of a global participant base. This is true not only of the rewards for a program but also of the program's design and support.

An effective incentive solution requires:

- Flexible program design
- In-region operations and customer support
- Centralized program technology

Decentralized program business rules and execution of tactical elements such as communications will be more and more important to effective global incentives. A one-size-fits-all approach to global programs is likely to overlook important local business and cultural issues. As multinational workforces continue to expand, flexibility in communicating and managing programs will be critical to success in the continuously changing global landscape.

The flexibility to provide local customer care and in-country or in-region fulfillment ensures that awards are relevant and that they are delivered on time and cost-effectively. In-region operations support complements in-region customer service. Tactical elements such as communications can be customized to local culture and market conditions.

Centralized program technology helps companies plan globally. Technology must be flexible to accommodate language requirements and business rules for various geographies. While corporate objectives, messages and values should be reflected consistently across a global enterprise, technology should also enable programs to retain a local emphasis.

How can companies achieve the necessary integration to ensure that rewards, design, communications and operations support are all aligned with overarching corporate needs on one hand, and with local business needs and cultural considerations on the other? Ultimately, this requires partnerships on the ground across the globe. As more companies attempt to onboard their global workforce and incentives include global audiences, performance improvement programs will need to accommodate increasingly complex business needs and personal preferences.

Truly effective global incentive programs need to focus on more than just the rewards for performance. Incentives are a business strategy to sustain growth during challenging times, and global incentives will require increasingly complex strategies and specialized tactics in different geographies. Ideally, an integrated approach that enables clients to plan globally and achieve locally will maximize the results of a global incentive campaign.

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