

# INCENTING THE WORKFORCE DURING ECONOMIC DOWNTURNS

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Incenting the workforce is difficult enough when times are good. But in economic downturns, it becomes absolutely critical. As your business struggles to make profits in the midst of reduced customer demand, supply chain challenges and market crises, how do you improve the chances of greater employee performance and retention?

First, you must decide and communicate what higher performance looks like. What skills and characteristics will create greater value to the organization and to the market at large? It may be an improvement in current skills, or it may be an increase in the number of skills. In either case it's an improvement in how valuable an employee is to the organization.

It may be not only skills, but also certain knowledge and characteristics. Are there knowledge components related to your industry or specific functions that can give individuals and your organization a competitive advantage? What about characteristics? Especially during difficult times, adaptability, flexibility, and accountability become "must haves" not just "nice to haves." What have you communicated to employees and how will those valuable items be recognized? Incentivized?

Second, do you know what will improve the chances of employees developing and exhibiting the identified knowledge, skills, and characteristics? Is it more money? Improved benefits? Flexibility in work hours and/or location? At the very least, how does all of this compare to what is available in the market? Does your organization offer at market, below or above market work and compensation packages?

It's also about culture. What does your company have to offer all employees? But most importantly, your highest performers. What will improve the chances of them continuing their exemplary work and remaining with your company? Your most valuable employees want growth opportunities, decision-making authority, recognition for their contributions, and other high performing team members with whom to work.

The great majority of employees want to do good work. They just need a culture that defines what good work looks like, provides feedback relative to it and delivers consequences. Employees want to know that they are cared for and that their organizations are interested in their individual success. How well are your leaders accomplishing that responsibility? Do they know the significance of their role in the retention of your most valuable resource?



During economic downturns, people are looking for what they can count on. A rock on which they can stand. It begins with communicating what the high value knowledge, skills and characteristics are. Then confirming market competitiveness of current compensation and benefits packages. Finally, ending with culture. What makes yours attractive, especially to high performing individuals, especially during challenging economic times.

Get Psyched about recruiting and retaining your most valuable employees!