
Social Behavior Engages Motivation 3.0

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Executive Summary

Only a decade ago, it was a dream to have computers in every household. Today, not only are there computers, but there is a global community willing to participate in collaborative online activities. Indeed, the sheer volume of people ‘engaging’ in Social Behavior has neuroscience professionals studying brain patterns that they might draw correlations in accordance with other emotional responses from activities including shopping, alcohol, romance, and more. These studies have mobilized big-brand marketing to universally reallocate traditional media dollars to Social Media platforms.

Subsequently, lessons learned from consumer behaviors are helping corporate employee-engagement experts to capitalize on the momentum in self-motivated, peer-driven participation. You may have heard about the online game “Farmville” that has permeated Facebook, where adults, teens, and children almost compulsively build their farms, collect points to achieve farm animals and objects, and share points and items to help their friends to build. The game offers its 60-70 million participants a creative outlet and free form of entertainment, engagement, and self-expression. It is so wildly popular, in fact, that marketing leaders are taking a hard look to see how they can go beyond the free platform to sell product and brand. From a scientific perspective, we are witness to the largest and most measurable instance of combined intrinsic/extrinsic motivation of self-driven recognition and engagement... an unprecedented example in behavioral economics.

Like motivation behaviors seen in Farmville, corporate recognition, rewards, and incentive programs for employees are actually the unsung pioneers of 'social points' activity. Those behaviors and mechanisms, described editorially as Motivation 3.0, have been adopted as 'next-gen' engagement principles towards re-building trust into corporate culture, stimulating high participation, and actually changing employee behaviors. As you read through the following paper, you will see a correlation between Social Media trends and the best-in-class solutions to affect changes that are meaningful for both employees and employer.

The Trust Factor of Social Behavior

The staggering fact is that 1,733,993,741 people are now online. That's a quarter of the world's population and it's growing at a rate of 380%.

(Internet World Stats)

The rate of adoption for web use has now reached a point in general consumer acceptance that allows corporations to say with certainty, "Yes, our employees are online and participating in web-based engagements, even if they do not routinely do so at work."

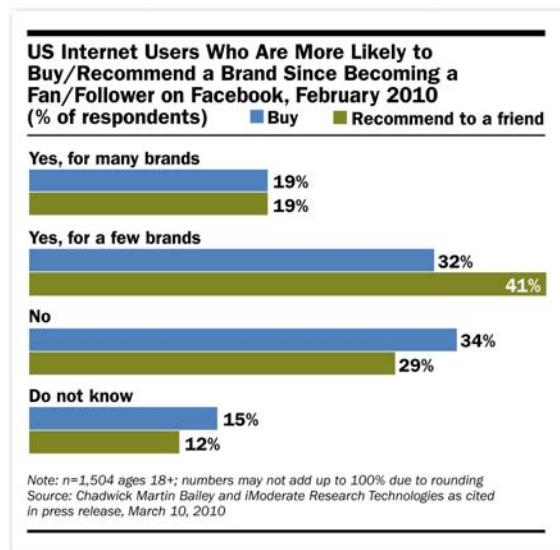
Given that the ages of people participating in Social Media are the same age as a typical employee population, it stands to reason that the skills and aptitudes are easily adopted in an internal engagement. Pingdom (www.pingdom.com) recently released compilations from Google Data which indicates:

- The average Social Network user is 37 years old.
- LinkedIn, with its business focus, has an average user age of 44.
- The average Twitter user is 39 years old.
- The average Facebook user is 38 years old.
- The average MySpace user is 31 years old.

90% of consumers trust peer recommendations

(Nielsen Global Online Consumer Survey, July 2009)

Trust, often missing from corporate culture over the past couple of years, has emerged as a peer-based consumer attribute that has shown statistical significance in Social Media. This is an area that must be capitalized upon to reinvigorate corporate trust from the inside out. Imagine, if you will, that employees can participate in a rewards and recognition system that builds appreciation and trust, while contributing to performance, brand values, and profitability. The impact on employee morale would be contagious.



Consumers are making decisions based on information they learn from their networks and use that knowledge to take action and influence others. Where historically, a conversation might occur between a couple of people over the phone or at a gathering, Social Media environments are allowing large groups of people to hear, participate in, and share conversations: positive and negative. It is an unpaid endorsement when a brand receives the Facebook 'Like' or thumbs up from a fan, and that the fan can publically indicate this endorsement (and sometimes emotional commitment, whereby falling into the coveted marketing space defined as 'True Loyalty' or even better, 'Cult Loyalty').

The trend towards engaging Social Media participation as part of work environment is noted by David McCann in the July 2, 2010 article on CFO.com, *The Cost of Social Media Phobia*, where he cites Forrester's recent study of the value of participation, "To assess the business value attainable through such forums as blogs, wikis, discussion boards, and innovation platforms, the CIO practice at Forrester Research recently surveyed 303 information-technology staffers who use Social Media in the course of servicing their organizations. Seventy-two percent of the respondents said Social Media has a positive impact on productivity in the front office, 70% said it makes IT operations more productive, and 61% said it makes the back office more productive." Although this particular study was relevant specifically to the IT staff, their view encompassed the effectiveness in other departments. The potential to harness the power of both consumer and employee participation in social context may well be the most critical shift in the sphere of employee engagement to have appeared in decades!

Stimulating High Participation

The 4th largest country in the world would be Facebook

(Facebook 2010)

To date, people's involvement in Social Media has included a self-motivated desire to communicate, create, discover, and be recognized. Online achievements (the development of like-minded networks, niche topics, and thought leadership) which, at first blush, may have been deemed trivial from one perspective, have resulted in self-perpetuating, Word of Mouth (WOM) marketing receiving global attention. What started as a self-motivated engagement by users in Social Media has emerged as the largest brand battlefield since the invention of TV advertising. For marketers, engaging people online is about influencing them now, and in the future, and having them influence their friends. It starts with creating something that people want to associate with — a group to be part of — that they're willing to stand up for, vouch for, represent, and recommend to others. This

'something' can be the company for which they work, or the guiding values on which it is built, or behavioral patterns (which are statistically significant in performance, productivity and profitability). The strength of this type of online commitment has already changed the patterns of non-profit marketing forever, with examples like Susan G Komen for the Cure raising awareness and funds for breast cancer patients and research, which encourages hundreds of thousands of people to participate in volunteering, fund raising, and prayer for loved ones... to Nutella with >6 million fans endorsing this chocolate hazelnut spread *just because they can!*

Many of the attributes of Social Media participation have markedly similar characteristics with "The Five Disciplines of Organizational Learning" as published in *The Dance of Change* over a decade ago. Notions of 'Personal Mastery', 'Mental Models', 'Shared Vision', 'Team Learning', and 'Systems Thinking' have been captured in the dialogue and behaviors of group engagement online. These are being demonstrated without orchestrated instruction by people *willingly using their own free time to participate* in the use of free tools such as Wikipedia, Facebook, Twitter, LinkedIn, MySpace, YouTube, Plaxo, and more.

Changing Behaviors for Good

“Together, we had built a business that combined profits, passion, and purpose. And we knew that it wasn’t just about building a business. It was about building a lifestyle that was about delivering happiness to everyone, including ourselves.”

(Tony Hsieh, CEO, Zappos.com, Inc.)

The mantra for excellence in business is embodied in the behaviors of company and employees in articulating and communicating brand messages that are meaningful and rewarding to employees, partners, and customers. From Social Media, we have learned that people derive meaning that is emotionally charged when they engage on their own terms. When the correlation between corporate and individual values is enhanced through communication and performance metrics, the participation can be measured for incremental behavioral changes. These changes are representative of both a shared and individual purpose. By leveraging the power of online systems, corporations provide a familiar Social environment, similar to those in which people have already chosen to engage during their own time.

Previous rewards and recognition solutions focused primarily on cash incentives, which can 'move the bar' temporarily for a company, but which are often criticized as quickly becoming an expected part of compensation and lacking emotional significance. When points-based systems first emerged, the new tools added dimension to employee recognition for knowledge, behavior, and results, as awarded by managers and/or peers. Today's solutions have, once again, integrated societal interests that include wellness and innovation, and identify other motivators including the need to 'collect' or 'contribute'.

When the reward is the activity itself –
deepening learning, delighting customers,
doing one's best – there are no shortcuts. The
only route to the destination is the high road.

(Daniel H. Pink)

The employee motivation industry, centered in a rich history of HR and communications strategy, procedures, and theories, is experiencing a dramatic shift that has been somewhat elusive to date. Leading examples of making strategy a part of everyone's job, had provided the positioning:

“The key reason people care about
performance management is because they want
to execute their strategies. Strategy execution
and results are the primary benefit of managing
performance.”

(Bruno Aziza and Joey Fitts)

We can see that, today, the structure of recognition and rewards solutions has to be such that continuous change nurtures interest according to societal trends. It must enable the thoughtful consideration of brand values as inherent to the initiative, and it must allow for contribution, participation, thought leadership, and rewards participation across all silos or types of work.

Recommendations

As more data points to the continued and ongoing success of incentive, rewards and recognition programs that are tailored to the interests of the employee audience, we can radically improve on outdated programs that were based on a 'carrot on a stick' mentality. Today's systems are more sophisticated solutions that consider overall corporate goals and values, as well as the intrinsic and extrinsic motivators that drive individual and group performance. In fact, the language of motivation is growing to keep pace with Social Behaviors, encompassing people's needs for contribution to safety, innovation, and charity, as well as their need to collect accolades, points, recommendations, and thanks. In addition to achieving or unlocking rewards, collection of points 'for the sake of collecting' is demonstrated in Social Behaviors. This consideration of audience wants, needs, and inspiration has leapt beyond Pavlovian enticement, reward, and punishment to actually studying behavioral characteristics of audience market segmentation and engaging on their terms. What has emerged, once again, is recognition of brand values as inherent goals for an individual, and critical components to brand success.

“Look at the company’s business strategy and the industry, and determine what kind of employees do we need to be successful, what kind of a culture are we going to create to help attract them, and what kind of programming are we going to have to attract, motivate and retain them?”

(Don Lindner, manager of practice leadership at World@Work)

In a recent exploratory survey of corporations with over 200 employees, commonalities among participants included:

- their rewards and recognition programs lacked creativity (42% describing creative as average; 30% describing creative as bad or terrible)
- there was lack of clarity as to how the initiatives impacted corporate goals and brand (33% don’t know)
- 57% were using enterprise-wide systems, but 39% were still using one-off programs primarily for sales and spot awards.
- respondents in the sales or marketing role ranked all quality perceptions between average to great while respondents in operations or other roles ranked all quality perceptions between terrible to average

In spite of recent emergence of dynamic programs targeted to improve education, safety, innovation, and wellness, respondents were over two times more likely to indicate that their company offered traditional awards than newer, self-motivating solutions that are mimicking the online revolution in consumer-based Social Media marketing. You can bring the power of Social Behaviors to your employees by offering intrinsic/extrinsic motivation rewards and recognition programs. Peer-to-Peer awards let people recognize each other. Team-based activities allow for relationship-building and trust. Wellness programs show that you care about employees’ health challenges and that you want to help through education and online tools. Open ‘suggestion programs’ accelerate innovation by creating a meritocracy.

The actions you choose in rewards and recognition programs, combined with the words and value messages that you choose to incorporate, can create some of the most meaningful and measurable programs ever. Expectations for outcomes should include things such as increased productivity, increased performance, increased satisfaction, increased innovation, increased wellness, safety, education, and reduced churn of employees. These goals should permeate your corporate culture for continued impact.

About Dittman Incentive Marketing

Dittman Incentive Marketing is a leading provider of sales incentive programs, rewards and recognitions solutions using customizable online software (SaaS) to help companies realize immediate ROI. For more than 30 years, we have helped some of America's most successful companies achieve extraordinary results and exceed their business goals. Our strategic solutions are based in the psychology of human motivation which has demonstrated results through incentives, recognition, rewards, years-of-service awards, as well as referral, safety, education, loyalty, and wellness programs. Dittman Incentive Marketing is a recognized leader in financial services, manufacturing, homebuilding, technology, healthcare, automotive, retail, pharmaceutical, and many other industries for unparalleled excellence in our points systems, group travel and individual travel services, and exquisite merchandise rewards.

Dittman Incentive Marketing offers easy-to-use software solutions that are customized to the needs of our clients. Great Rewards™ provides an excellent merchandise experience for one-off sales incentive programs with no start-up costs. Great Escapes™ offers tiered travel rewards for executives and individuals with no start-up costs. TotalPRO™ provides an exceptional point-based rewards, recognition, education, and incentive solution with your choice of modules appropriate for enterprise-wide commitment to employee excellence and corporate responsibilities. You can start with one program and add modules as you see tangible results through our robust reporting features.

Dittman Incentive Marketing solutions reflect the core brand, culture, and values of our clients, helping them to attract, engage, inspire, appreciate, and retain talented people. Our solutions allow you to maximize employee potential. For more information please call 732.745.0600 or visit us online at www.dittmanincentives.com.