



Reward & Recognition in Health & Safety

Purpose of this document

This document is concerned with issues to do with the management of a reward and recognition (R&R) strategy in the context of health, safety and environment (HSE) performance. In this document we address the following issues:

- Should the management of HSE performance include R&R?
- What are some of the issues to consider in applying R&R to HSE?
- What does theory tell us about motivating effort?
- What are the key principles that should serve to inform best practice?
- What tools are available?

This document is written in the context of the Psychalogica approach to behavioural safety.



R&R is considered to form an important part of any approach to performance management. Encouraging effort in HSE is a significant issue in that people do not always see the need to improve performance in that they rarely if ever experience an accident or ill health. People don't think it will happen to them but it might.

Should we reward people for acting safely?

This is a sensitive issue. Given the importance of safety, some would argue that it seems wrong to have to consider rewarding people for what they should be doing anyway (acting safely). Ethics would suggest that we should make every effort to ensure that we don't risk the possibility of injuring ourselves or other people. The reality is however that people do not always sustain their focus on safety and can even be tempted in certain situations to take short cuts. In view of this, there is a need to counter these tendencies by providing people with some additional incentive to keep focused and to resist short cuts / safety violations.

This reality is the basis behind the interest in behavioural safety and the search for the means to eradicate error and unnecessary risk taking. When all attempts to get people to behave safely have been exhausted, then one is left with the problem of what else there might be to try and this is where the possibility of using incentives has to be considered. The right incentives managed in the most appropriate manner can provide the means to keep people focused and to encourage them not take short cuts. For those aiming to achieve the highest levels of safety performance and to maximise risk assurance, then building in a reward and recognition has to be part of the strategy.

The use of R & R in the context of other aspects of business performance is rarely contentious. There is an established understanding that this is part of the means to get the best out of people. Safety is no different – but we need to design and manage an R & R strategy to ensure that it drives those behaviours that maximise safety performance and that it is seen as acceptable.

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Those who still find the idea of R & R in the context of safety difficult to accept, will need to identify an alternative strategy. The reality is that people are not necessarily always motivated to act in the safest manner.

A critique of some common practice

Organisations already utilise approaches to R & R in the context of improving safety effort. Unfortunately, our experience is that these approaches lack rigour in terms of their efficacy and effectiveness. At best, common practise has little effect, at worst it could be working counter productively. In the paragraphs that follow we consider some of the more common problems and, through inference, things to avoid.

In considering the following, it should be remembered that the key motive behind any R & R strategy is to influence further effort going forward, nit just to make people feel good by being recognised for past effort.

Piecemeal approach

The approach is often based on someone's "good ideas" rather than being a carefully thought out strategy. The resulting impact is also, unfortunately, somewhat piecemeal.

A few winners, a lot of losers

The emphasis is on rewarding a few people that have, in some way, been seen to perform or contribute. This can have the relative effect of demotivating others especially if the perception is that those being rewarded have done little different.

Lotteries

Names in the hat, one selected at random to receive a reward for a specific achievement (eg period without a lost time injury). Person receiving the reward may be the person on site most associated with anti-safety attitudes.

Discretionary awards

This often involves managers having the right and resources to make awards in situations they choose. The problem with this approach is that there exist few if any guidelines and so the perceptions that follow are ones of inconsistency and a lack of equality.

Unexpected awards

In this situation, an individual or individuals receive an award but they are unsure as to why they have received it. Because of this, they are also unsure as to what behaviours to focus on in the future.

Awards given for results achieved

A team may go a lengthy period without an accident, or may accomplish time-based productivity targets. In both cases, little is known with respect to actual safe behaviours and the outcome could be the reinforcement of significant unsafe behaviour. The problem here is an over-emphasis on output measures rather than the inputs. Results in safety can be a matter of good fortune.

Easy targets

The early achievement of easy targets can lead either to coasting behaviour once the target has been achieved, or J-curve behaviour in which all the effort is applied towards the end of the period.

No credit for effort

Team puts in lots of effort, work very hard, almost achieve target but not quite. Subsequently they could feel demotivated by receiving nothing for all the effort applied.

Competitions and league tables

There is more than one way to win a competition – such as making sure the competitors perform less well. This is contrary to the target in safety where the emphasis needs to be on co-operation, interdependence and teamwork.

Over-long time frames

If the time period is too long, the danger is that people will lose interest.

No performance feedback

People have no idea as to how they are doing. The reward, or non-reward, at the end of the time period comes as a surprise.

Little perceived value in reward on offer

Simply, people regard what's being offered not worth the effort. In extreme cases, the reward on offer has led to negative attitudes and ridicule.

Rewards contingent on company performance

Despite local effort and achievement, rewards not awarded due to poor performance elsewhere (other units don't deliver on safety, or company does poorly in financial terms).

R & R theory

Intrinsic and Extrinsic Motivation

The ultimate aim is to create the circumstances such that people care deep down about safety and that they remain focused and reject the tendency to take short cuts. When this state is reached, choice of behaviour is value-based and driven by intrinsic motivation. In such situations, people are always likely to choose safe behaviours irrespective of the context within which they are operating. Put another way, the act of behaving safely has become internalised and habitual – doing otherwise would be contrary to the individual's make up.

For most people this is a learned or acquired state, their behaviour being influenced through the strong culture and positive climate of the organisation, together with the links they experience between behaviour and outcomes. When safe behaviour is associated consistently with positive outcomes then over time a pattern of safe behaviour becomes established. In the early stages however, there may be a need to encourage the person to choose the safe behaviour in a context where the perceptions are that the alternative “unsafe behaviour” is more attractive – more attractive because it is not associated with negative outcomes (accidents) but is associated with positive outcomes (saves time and effort, and avoids discomfort relative to the safe behaviour). Such encouragement is achieved by associating the choice of the safe behaviour with some valued outcome – R & R.

In such situations, the behaviour is influenced through extrinsic motivation. The use of R & R is the means through which we manage extrinsic motivation, the ultimate aim being to create habitual behaviour (ie behaviour influenced by intrinsic motivation). In this sense, R & R is a means to an end rather than an end in itself. R & R is a strategy through which we create habitual patterns of behaviour.

Reinforcement Theory

The basic proposition in Reinforcement Theory is that behaviour is best explained by people's expectation regarding the consequences that will follow from a chosen behaviour. Positive consequences make behaviour more likely, negative consequences make behaviour less likely. Reinforcement Theory tells us that we need to focus on consequence management to influence behaviour effectively.

PICs, PFCs and PFUs

In addition to the value associated with a consequence, the perceived probability that the consequence will occur, together with the immediacy it is expected to follow the behaviour, are also important. Thus, a positive consequence that is expected to definitely and rapidly follow the behaviour is most likely to influence repeat choices of that behaviour. Such consequences are referred to as PICs – positive, immediate, certain. Other variants are less powerful: positive, future, uncertain (PFU) consequences are generally weak, whilst PIUs and PFCs may influence behaviour but are still weak compared with PICs.

It follows that an effective R & R strategy should involve PICs (recognition) and PFCs (rewards). This will become clearer in the sections that follow.

Natural, social and tangible consequences

Consequences also vary in their type. We all experience consequences in our encounters with **natural** events. Such consequences are often, although not always, related to our more physical needs. For example, wearing safety glasses has the effect of protecting us from more serious eye injuries, but there are other more certain and immediate consequences we experience as a result of wearing safety glasses. These can be, for example, a sense of diminished vision, discomfort, additional effort to

remember them etc. These natural consequences often flow from the nature of the work and have the capacity to affect feelings of basic job satisfaction. The implication is the removal of the factors that produce these negative experiences so as to increase the likelihood of people choosing a safe behaviour.

Social consequences flow from our interactions with others – such as peers and those who manage us. A social interaction can leave us feeling positive or negative in relation to the effort we put in. Social interaction has the capacity to be a PIC in that a comment from someone can quickly follow the effort put in and, in a strong and positive culture, such encouragement is a common feature.

Tangible consequences have monetary value and typically are given as rewards to mark significant effort or achievement. Rewards usually are given for achievement and prolonged effort rather than specific incidences of behaviour. As such they are typically PFCs or PFUs. The setting of targets and linking these with a known reward is a PFC strategy.

Goal Theory

Goal Theory is known to many of us in the form of SMART objectives. Goal Theory states that people are more likely to be motivated when they have been set clear, specific and challenging goals rather than those that reflect more of a “do your best” approach. Furthermore, if those people are also involved in some way in setting the goals, then the effect on motivation is enhanced.

Linked with this is the knowledge that people working in teams are generally more effective compared with the same people working as individuals. Research into this is compelling, emphasising the synergistic aspects of working together. Research has also indicated that smaller teams, compared with larger teams, are more effective. The

implication from this is to ensure that the key performance unit is the team and that team size should be in the range 6-12 (and ideally towards the lower end). Furthermore, teams should have a few goals (rather than many), have a say in how these are to be pursued, and receive regular feedback as to progress towards achieving them.

Together, Goal Theory, Reinforcement Theory and this knowledge about teamwork provide the theoretical base for an effective R & R strategy.

Basics for a complete R & R strategy in safety

From the above it is evident that we need to approach R & R along the following lines:

- Manage people's natural work experience such that they are less likely to experience negative consequences in their efforts to choose safe behaviour (remove or reduce NICs)
- Ensure that people receive regular recognition from managers (and peers) for choosing to act safely (encourage PICs)
- Setting team based targets (measures relating to safety improvement, safety effort – no more than 3-5, achievable in the relatively shorter term, and linking the achievement of these to some reward schedule.

Some “best practice” R & R principles

Many of the following flow from our previous critical analysis of common practice.

R & R Strategy

Development of a structured, systematic, predictable and transparent R & R strategy based on theory as set out above.

Company of winners

Strategy should aim to “set everyone up to succeed” through putting in place SMART objectives relative to past performance and effort.

Wide focus

Strategy should include an integrated focus on managing the natural, social and tangible consequences. Significant emphasis to be placed on creating a management led “recognition culture” reflected by frequent and sincere social recognition.

Behaviour & effort, not just results

Most emphasis to be placed on encouraging and reinforcing inputs – more specifically those inputs that are known to most reliably predict outputs / results. Target for R & R needs to be value-adding behaviours, not just general feel-good.

Small team as performance unit

Focus on smallish teams as key performance units with 3-5 targets related to risk-reduction activity, provision of regular data based feedback, and a clear understanding of the rewards available for achievement of targets. Emphasis overall directed at driving continuous improvement.

Special awards

Specific recognition for an individual / team for special achievement. Not an annual award, but linked with out of the ordinary events. Single person / body responsible for deciding such awards.

“Safe production”

Integrate different aspects of business performance – reinforce a focus on the high performing company and make rewards dependent on overall performance rather than treating safety separately.

R & R tools

The delivery of R & R (tangible rewards) needs to be based around some objective behaviour-based measurement system. The use of a performance matrix can help tackle some of the issues raised previously. Although the performance matrix looks complicated, the concepts are reasonably straightforward once explained. Benefits are as follows:

- Enables the compilation of a single performance score from a variety of different metrics
- This score can be used to accumulate “reward points” – performance measured monthly but progression towards end of year reward is transparent
- Variables can be individually weighted to reflect relative significance
- Data points below and above target are recognised thus maintaining motivation levels
- Can be used at different levels of the organisation – from individual teams to top-level reporting of performance

An example performance matrix together with some explanation is shown at the end of this document. It is likely that this will require more detailed discussion.

There are different possibilities to linking the points to the tangible reward. The most obvious is using the performance matrix as a means of determining end of year bonus or part of it. An alternative to this, is linking points earned to charity donations. This can lessen the sensitive issue regarding whether we should reward people for safety effort in that there is no personal gain. Such an approach works best when the charity is a local one and the donation is to achieve something specific (such as an identified piece of specialist equipment or a special trip out for some needy youngsters). This can promote community relations as also promote the company as a caring one.

Summary

In this document we have been concerned with the issues relating to the use of an R & R strategy in the context of safety. Our view is that safety is like all other business issues: a systematic approach to motivation will bring better results. However, in saying this we recognise that there are particular sensitivities with respect to why we should have to motivate people to choose safe behaviour. The reality is however that unless we do so, people being human will tend to lose focus on safety and even choose to take short cuts.

From the above it is evident that we take the view that R & R is as appropriate to safety performance as it is to any other business performance issue. However, our experience tells us that established practise in this area is not as good as it needs to be. This document has been concerned with addressing the key issues and from these highlighting some best practice principles.

For more information about how Psychalogica can advise your organisation in this complex area please contact us as follows:

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Performance Matrix

