

Debbie's input

Like the Westinghouse Electric performance system, an effective reward system would include a mix of intrinsic and extrinsic rewards using the two performance-focused distribution methods; performance results that would concentrate on the quantity and quality of performance such as incrementally increasing current sales quarter-over-quarter for a grand total of 50%, and action and behavior performance relative to teamwork, innovation, and risk taking. As such our system would give Sales Representatives more autonomy to increase sales, improve quality of customer relationships, and pursue new business with other automotive retailers and nontraditional markets.

The performance and reward system for the Sales Representative must establish challenging goals with equitable rewards, both intrinsic and extrinsic. The distribution of accounts should be more equitable across the Sales Reps to insure all reps are given ample opportunity to achieve stated performance goals. Each Sales Rep would be given a mix of large chain and small independents within their geographical region. OB experts recommend performance and reward systems include more than monetary pay-for-performance but to equally value teamwork, cooperation, and creativity (McGraw-Hill, 255), and since the experience levels of Premium Finish Sales Reps vary, our system will acknowledge and reward: senior Sales Reps that mentor junior Sales Reps; Sales Reps that provide substantive leads outside their sales region to other Reps; and adhoc Teams that devise innovative approaches to resolving problems or identify new ways of increasing sales. Our system would also promote innovative thinking by rewarding ideas for developing sales in unconventional/ nontraditional markets.



The four tenets of Kenneth Thomas' model of intrinsic motivation; meaningfulness, choice, competence and progress would be one of the guiding principles in developing the Premium Finish Performance and Reward System. Beginning with meaningfulness, the development of our plan would be a collaborative process that includes the Regional Managers with their Sales Representatives in an Executive retreat-like setting for several days. This approach provides significant intrinsic value by 1) demonstrating that Leadership values the Sales Representatives input and 2) establish line-of-sight for the Sales Reps as they consider the Corporate vision and mission in the development of their performance goals and objectives.

Our plan would also embrace Thomas' Leading for Choice principle by providing more autonomy to our Sales Representatives to identify and act on opportunities to improve customer relationships that lead to potential new sales. Sales Reps would be further empowered by delegating the responsibility for negotiating point-of-sale (POS) display space for Premium Finish. Leading for Competence is a critical element of our plan. Through regular two-way communication, Regional Managers must determine each Sales Rep's individual strengths and weaknesses and then ensure formal and experiential training/learning is provided.

Research indicates that extrinsic reward programs frequently fail to achieve the desired performance results (McGraw-Hill, 253), therefore the Premium Finish Performance and Reward System would supplement monetary rewards with rewards that speak to and excite our Sales Reps, such as spa trips, house cleaning services, meal delivery, short-term golf memberships at country club, lunch with the CEO, extra vacation time, etc.



Brittany's input

A reward system for a sales representation is common because of the organization's business culture. Sales representatives are more independent than most careers and there are deadlines to be made so providing a reward system is an effective way to motivate the employees.

To intrinsically motivate, a regional sales manager can set up a reward system that provides psychic rewards to sales representatives. This is to be sure their sales specialists are as independent as they can be, which can also be rewarding to the regional manager as well. The more independent the sales representative feels; the more sales Premium Finish can receive without the need to hire trainers and the more freedom sales specialists will have about doing what they choice. They will get a sense of trust within the company making them fulfilled with their position as well.

To extrinsically motivate the sales representative, the easiest way would be to provide bonuses. Having both a financial and social reward can motivate the employees to perform their best. With sales representatives that are involved with major sales accounts will receive a higher dollar amount bonus than the representatives with smaller accounts. This will motivate employees to want to put themselves out there to work for the biggest accounts the regional sales manager has to offer instead of being distracted with accounts that do not take up as much work. Because selling to Auto Zone is a big deal, the sales manager would want to make sure whoever gets this account does not mess up. Which brings up the next reward to motivate employees, the social reward. Whoever is on that major account should be receiving the most attention. It will motivate the employee by making them feel like they are needed within the company if a



manager were to put their name somewhere everyone can see so the proper feedback is given. Even more motivation can be shown if their name got up to some corporate positions. Having a leader of Premium Finish sales manager give kudos to the employee can become a motivator that last another quarter.

To be sure the right employee is getting the right incentive, an employee performance must be designed to improve the continuing process. The first step up for a sales representative is to make goals for them before they are to even go out on the selling field. For Premium Finish, a salesperson is to make sure their product stays in stock for the account, if they were put on a major account, being sure they stay stocked and if not order more product than they are used to depending on the demand of the wax. The next step is to provide feedback about how the sales are going to their manager and be ready to receive. The timeframe for feedback would be every quarter so sales representatives can take that feedback and have a fresh start with providing results. It is to be measured either by themselves or with a manager or other well-trained employee if needed so there will be minimization of training hours needed. The third step would be to get rewarded as stated above either intrinsically or extrinsically to remain motivated to get the job done efficiently. If a reward is not needed, then the process is to be done over again by creating a new goal looking at successful sales representative goals done in the past. This 3- step cycle continues until rewards are repeatedly given out after every quarter to be sure our sales representatives are satisfied as well as our regional sales managers.

