Three Empirical Examinations of Employee of the Month
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May 30th, 2010
Association for Behavior Analysis International 36th Annual Convention, San Antonio, TX
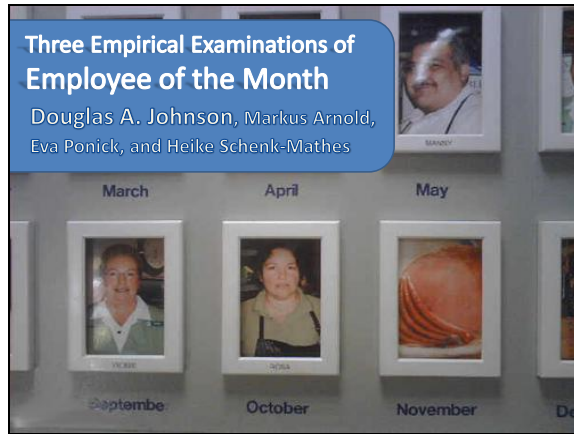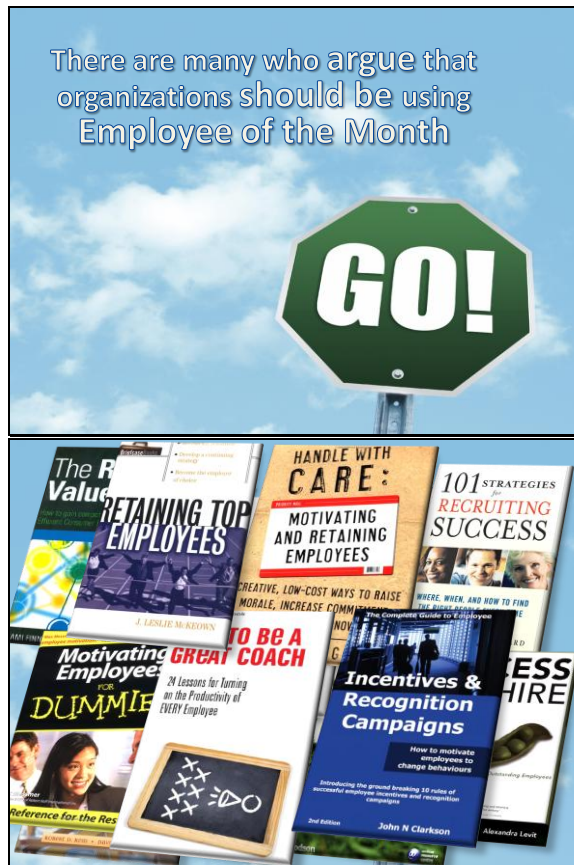Correspondence: djohnson@operant-tech.com

Slide 1

Slides 2-3

- One of the most popular
- Giving credit to deserving individuals
- Boosting morale
- Motivating excellence by providing positive examples

Despite its popularity in press and practice, there are still a number of individuals who argue against EOM

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Slide 4

• Based on results, without consideration of behaviors that produced those results
• Unethical behavior such as sabotaging other employees or undesirable behavior such as working unsafely
• Employees are unclear on how to get the EOM reward
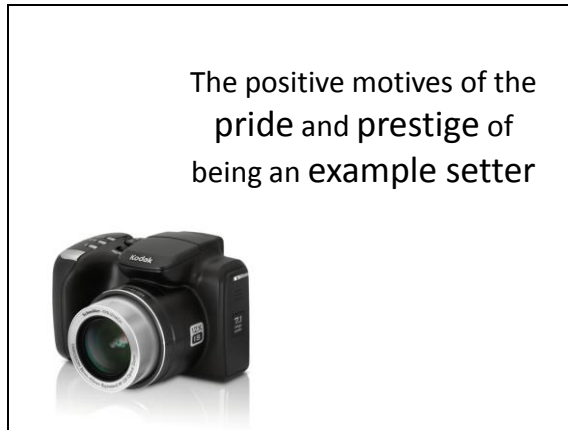• But, probably the most criticized aspect of EOM programs are their…

Slide 5
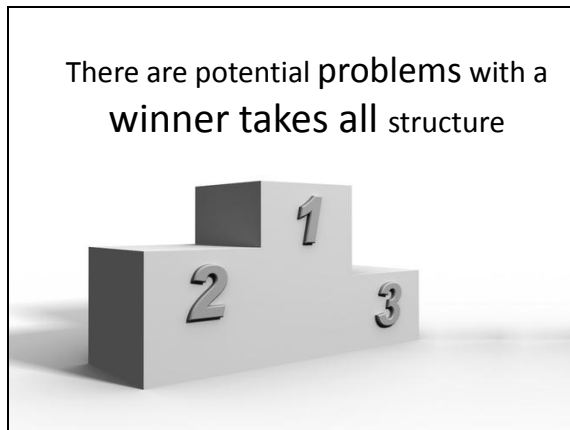
• Many employees may end up not being rewarded, despite potentially small differences in performance
• Good and valued performance may end up being extinguished
• Generates a type of competition that is unhealthy and unproductive
• If you award EOM to employee who truly is the top ranked, run the risk of rewarding just one employee in the organization month in, month out

Slide 6
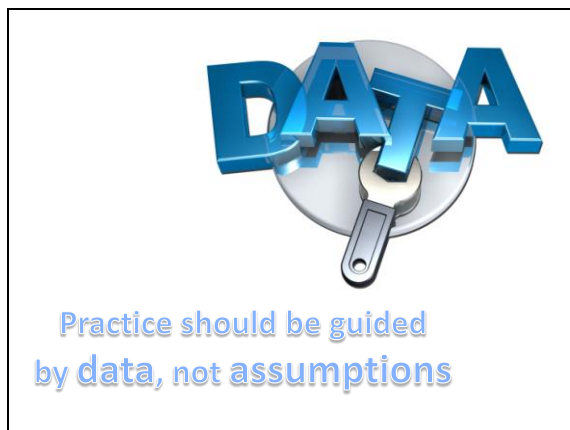
• Ultimately, all of the preceding arguments for and against are based on assumptions
• The question of whether EOM inspires or extinguishes performance is best answered through empirical means
• The number of published empirical studies on EOM within the disciplines of psychology, management, and economics? Zero

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Slide 7

The positive motives of the
pride and prestige of
being an **example setter**

- Incentive effects of having the photo of the team member who contributed the most shown to the entire team
- Compared against the use of small monetary incentives
- Public identification may have many potential motivating effects
- Prestige of being a high contributor
- Pride derived from the potential recognition from others
- Signal cooperative behavior to evoke higher contributions from other team members
- Players motivated by the positive motives of pride and prestige, so-called 'leaders' or 'example setters',
- Play an important role in determining the behavior of 'followers' in the group

Slides 8-9

Experiment 1

Worked as teams and average team contribution was unit of analysis

- Teams consisting of six team members each
- Task was complicated economics investment task
- Similar to a situation in which an individual employee invests a certain amount of his or her own time or resources into a team project
- All may receive some return on this investment, only the perceived top contributor receives additional incentives when an EOM program is in place
- As such, the top contributor receives the strongest return on their investment
- All other employees remaining largely unrecognized for any extra efforts

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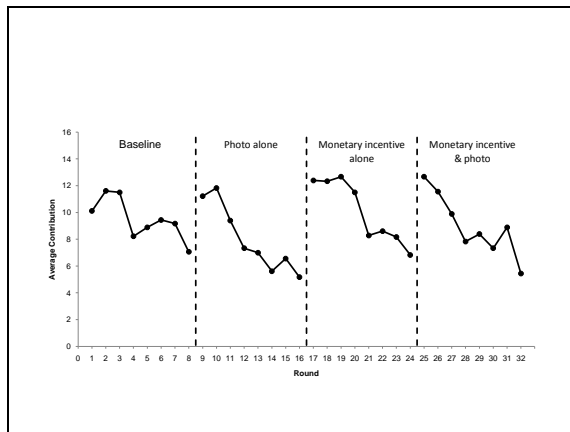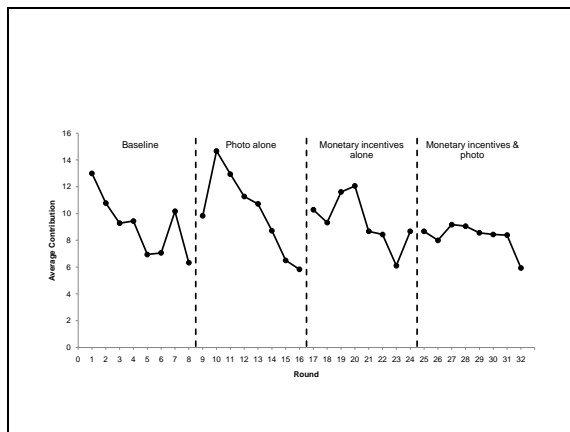Correspondence: djohnson@operant-tech.com

Slide 10

- **A: Baseline**
  – no incentives
- **B: Monetary incentive alone**
  – highest contributor received money
- **C: Photo alone**
  – photo of highest contributor displayed to team
- **D: Monetary incentives and photo**
  – combination

•For two of the groups, participants were exposed to the conditions in an ABCD sequence (baseline/incentives/photo/incentive + photo)
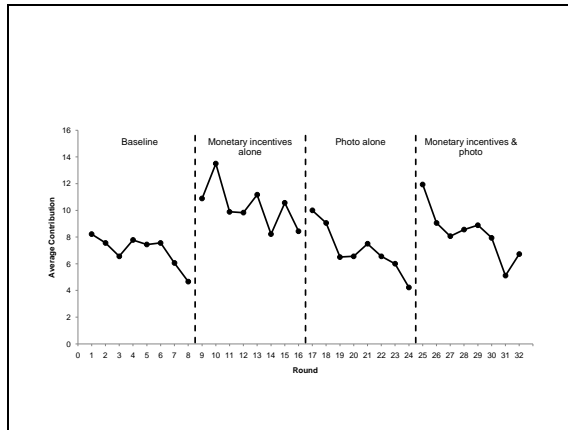•The remaining two groups were in an ACBD sequence.

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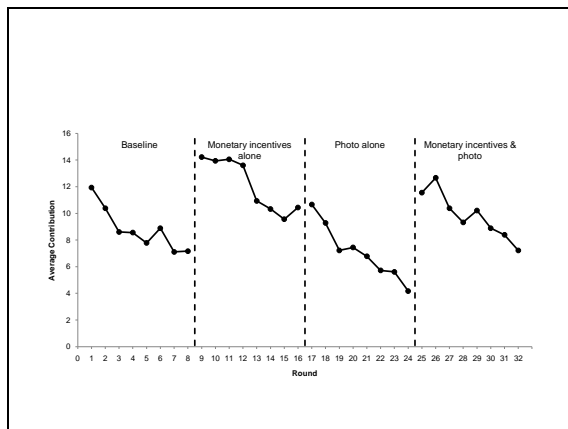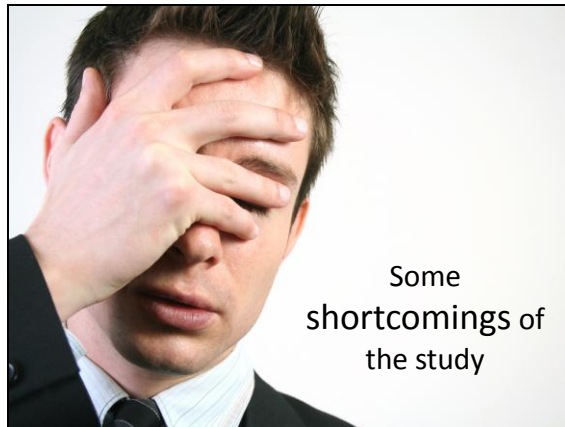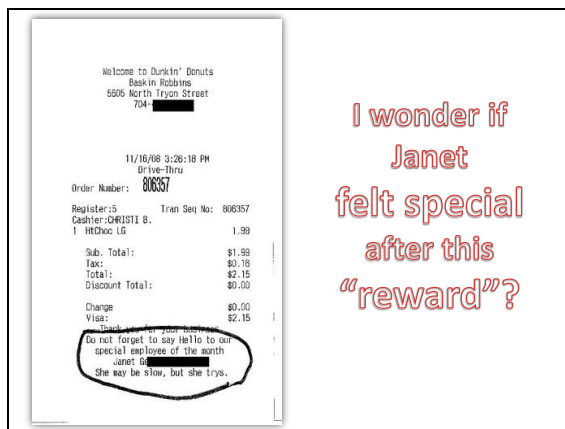
Slide 15

Some shortcomings:
• Big confound – team composition and incentive system changed at same time
• Two interpretations:
  • Team members may thought they had a chance at winning with new team (hence temporary increase). Eventually learned that they were NOT the best performer, thus all-but-one reduced contribution (overall team decline)
  • Novelty effect of new intervention
• Also, doesn't show what is happening at individual level
• While groups are our typical unit of analysis in OBM, to understand the mechanism of action it may help to analyze individuals who make up the groups
• Next two experiments address some of these concerns

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• Everybody gets recognized at some point

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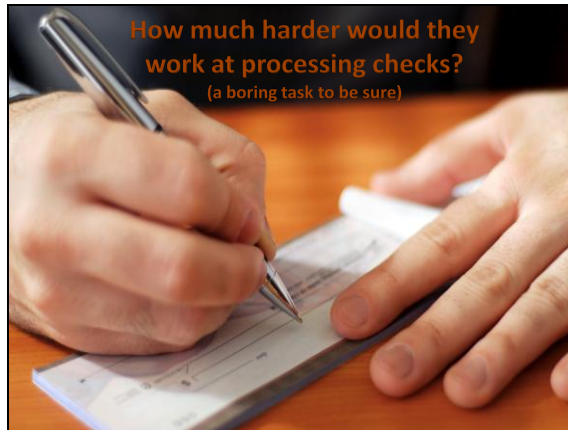Correspondence: djohnson@operant-tech.com

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•Some try to sidestep this issue by allowing a person to win just once per year
•What about that 13th employee, who might still be good?
•Does an excellent employee deserve recognition only once?
•Now you can just wait your turn
•Is it really a sign of excellence if everyone gets it eventually?
•Does receiving a typical EOM-type incentive within a revolving format strengthen performance?

Slide 18

•Published in:
•Johnson, D. A., & Dickinson, A. M. (2010). Employee-of-the-Month Programs: Do They Really Work? *Journal of Organizational Behavior Management, 30,* 308-324.

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Slide 19

How much harder would they work at processing checks?
(a boring task to be sure)

- 6 college students working separately
- Told they were members of teams
- Team composition does not change
- Computerized data entry task modeled after the job of a check processor in a bank
- Number of checks processed correctly

Slide 20

Told could **win once**

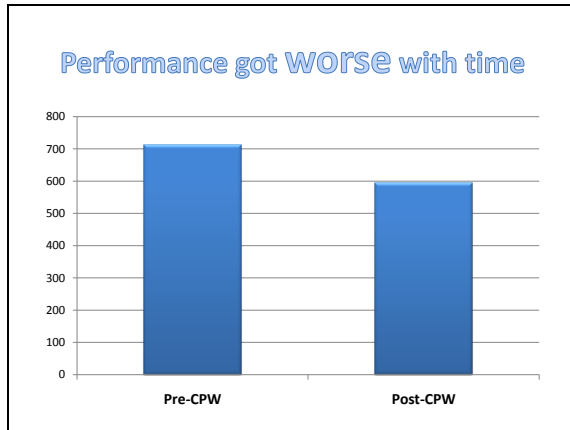What happens to performance **before** and after?

EMPLOYEE OF THE MONTH

- Being informed that they won the "Check Processor of the Week" award for their efforts during the previous week (EOM analog)
- Informed they could win this award once during the study (similar to once per year with monthly EOM)
- Shown listing of all people on their team, with the name of the winner at the top
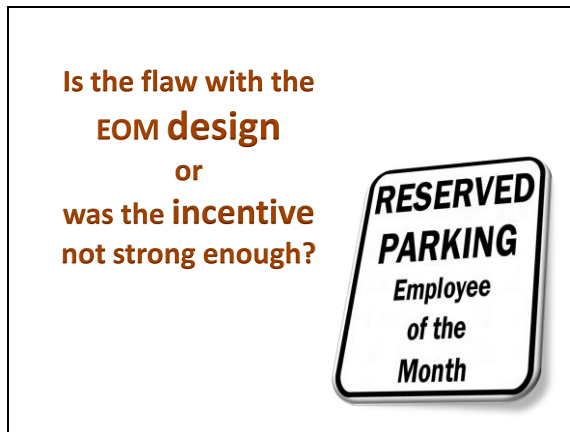- Performance prior to and after winning the award

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Thought they were part of team

- Thought they were members of twenty person teams, with several different teams in the study
- Thought receipt of CPW was based on performance

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- Truth: 19 fake names plus themselves
- Only one actual participant per team

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- Purposely vague
- Modeled after language used in actual EOM programs

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Slide 25

- Average group data:
- Pre-CPW (713)
- Post-CPW (593)

Slide 26

- Perhaps EOM can be effective with a more valuable prize (many organizations supplement recognition)
- If they knew they had unlimited opportunities to win
- Maybe if it was clearer what they had to do

Slide 27

- Indeed, seems plausible it would work with top ranked winner
- I was more interested in everybody else, the bulk of the workforce
- What is the effect of calling 99% of your workforce losers on a monthly basis?
- When the format isn't revolving, there are clear performance expectations, and the EOM prize is valued, how effective is EOM at sustaining performance?
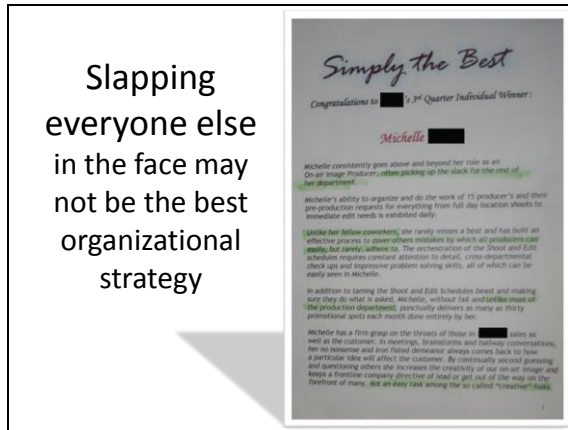
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- Supposedly a reward for top ranked employee, but is also a slap in the face to everybody else

Slide 29

- Same setting, apparatus, and design as previous experiment
- Also published in:
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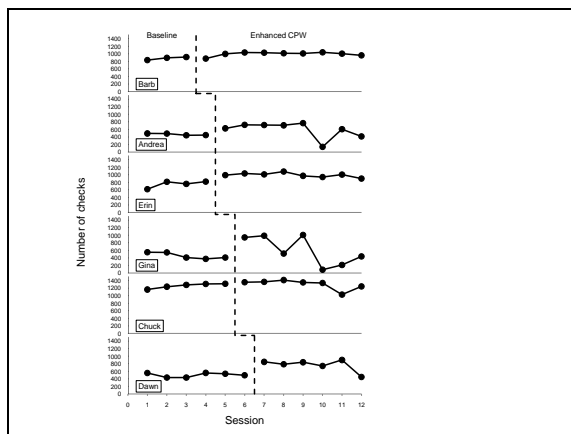
Slide 30

- Different participants, but most of the experimental setup the same
- One difference, participants earned a $50 bonus if called CPW
- Told CPW would be whoever had the highest number of checks processed correctly
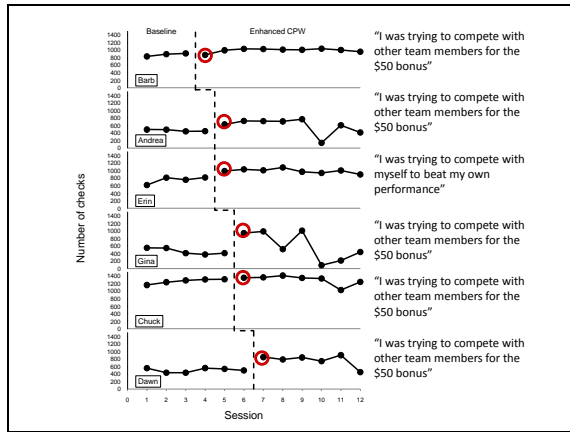- Told you could win multiple times

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- Again, 19 fake teammates for each real participant
- Game was rigged so that participants never won
- One of the fake participants would consistently outperform them
- Real participant always told between 2nd and 5th place
- Top performer's fake data arranged so that it was between 15 and 30% above real participant's highest performance
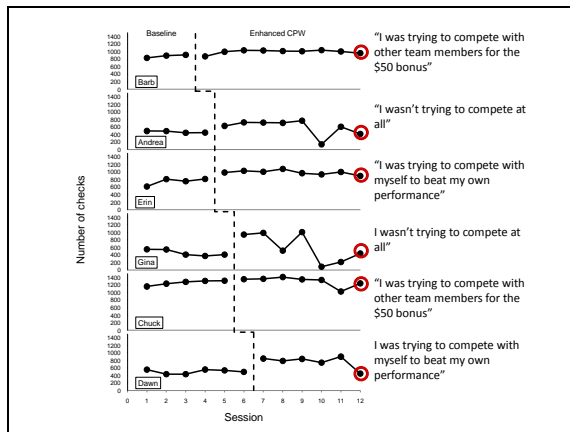- Thus, participants performed well, but could never catch up to the organization's best worker

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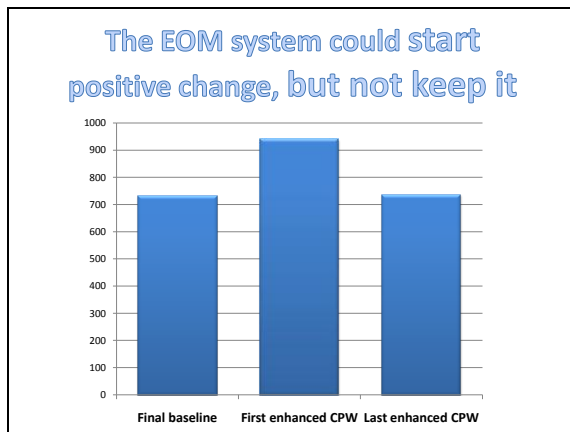Correspondence: djohnson@operant-tech.com

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Slide 34

•Some of these good performances could have been achieved with just a good performance feedback system
•Note that these are the optimal conditions for EOM, with participants being ranked relatively high

Slide 35

•Average final data point in baseline (732)
•Average initial performance post-intervention (939)
•Average final data point post-intervention (735)
•May partially account for why people keep implementing EOM:
•Initial success
•Or ask the winner, who is happy
•Or just seems to intuitive make sense (extra reward is good, right?)

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Slide 36

EOM appears to be an **ineffective** motivational tool that may even have **detrimental effects**

- Typical EOM doesn't improve performance
- Enhanced EOM doesn't sustain performance
- Based on these studies, EOM appears to be an ineffective motivational tool that may even have detrimental effects

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