

Motivating Without Money

91 Inexpensive
Ways to Keep
Employees Happy



TALENT MANAGEMENT



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Motivating Without Money

91 Inexpensive Ways to Keep Employees Happy

Motivating employees presents a challenge to even the most experienced managers and executives. Couple that with a small or non-existent budget, and it can feel climbing Mount Everest. There's relief, though. Most employees are motivated by non-cash, not-so-flashy rewards. In fact, many employees stay on top of their game when managers and leaders give sincere, deserved recognition and rewards with small or no price tags.

To jump-start motivation today, it's important to know what motivates people. Then apply proven, inexpensive or no-cost strategies that will keep your employees motivated at work.

Top 10 ways to motivate employees

Recognizing good work is the No. 1 way to motivate employees – by their own admission in several studies. But that alone won't sustain motivation.

Instead, managers can mix up motivation tactics from the top 10 things employees say keep them happy and interested in work.

1. **Public praise and recognition.** One note of caution: Make sure employees aren't embarrassed by public recognition before you single out anyone at a department or company event.
2. **Opportunity to show off a great job.** Most employees like to share their successes. Bonus: Others can learn from and be motivated by them.
3. **Hearing about the positive impact they have** – on the company, their boss, co-workers, a project, a customer, etc.
4. **Earning extra time off.** Employees usually enjoy earned time off more than time off that is just handed to them.

5. **Training and development opportunities.** This report will give you low-cost ways to train employees.
6. **Being treated with respect by managers and co-workers.** So managers need to check that employees treat each other well.
7. **Opportunities to mentor new hires.**
8. **Inclusion in projects and decisions** beyond their normal job tasks.
9. **Receiving and being trained to use top-notch technology.** This report will give tips on how to offer technology at lower costs.
10. **Working in bright, comfortable surroundings.** Good news: Employees don't expect new leather chairs and solid mahogany desks. A regular coat of bright paint, cheery artwork, well-lit offices, plants and comfortable furniture (that can be purchased in bulk rates) is often enough.

Give praise to motivate

Praise may be the No. 1 way to motivate employees. But if managers say, "Good job" over and over, it'll quickly lose any motivation punch it ever had.

- Keep praise fresh by mixing it up. Here are a number of different ways to deliver praise verbally or in writing:
 - I'm proud of your accomplishments.
 - Congratulations on a terrific job.
 - I'm impressed with your work.
 - You've made my day.
 - You're doing top quality work.
 - You can be proud of yourself.
 - We couldn't have accomplished this without you.

- You were right on the mark.
- You're so helpful, and it has a profound impact.
- Wow!?What an amazing accomplishment.
- Great effort. You make us all look good.
- I have great confidence in you.
- Your skills are sensational, and your effort outstanding.
- You're a valuable part of our team.
- Your efforts really made a difference.
- Your accomplishments inspire many of us.
- It's not just me. Others (the CEO, customers, fellow managers) notice the efforts you put in.
- You're a champ.
- You continue to improve and become a valued member of our group.
- The whole company benefits from your efforts.
- I feel privileged to work with you.

Make it more personal

- To make praise or appreciation even more specific to employees and circumstances, try this formula:

Start with: I like, I admire, I appreciate, I respect, I'm proud of you.

Then follow that with the reason and the impact: because ... and it results in ...

Example: "I admire the extra lengths you went through to finish this project, because it turned out better than we expected. It's gotten a great response from the CEO and support from nearly everyone."

Take it one step further: Say it in percentages

Managers can almost double the effects praise has on motivation and productivity if they do this:

- Tell employees the percentage of work they've accomplished. Example: "We're 65% of the way there. Your attention to detail has been great and will get us to the end of this project successfully."

Tactics that worked for managers and leaders

Here are ideas and tactics that successful leaders have used to keep their people motivated and raise morale when it needed a push.

- An assistant VP worked with her employees to come up with fun rewards to recognize each other. One person designed the "Workhorse Award" – a rubber horse for an employee who went the extra mile. Another person created the "Rubber Chicken Award." It was given to the person who improved the most each quarter.
- One company found that allowing employees to give back to their community raised morale at work. The CEO asked employees to vote on the local charities they'd like to support. Then he gave them the green light to organize ways to support the favorite charities. They planned bake sales to raise money and were given time to help with the charities' efforts. Employees participated as much or as little as they wanted.
- One manager cooked lunch for his employees so they could eat together at least once a month. They feasted on his delicacies under one condition: They had to talk about things they enjoyed – no griping or complaining.
- A small advertising agency gave every employee his or her birthday off. The surprise they got before leaving work the day before their birthday was an even bigger morale booster.

Bring in the clowns

Nothing lifts morale like good, old-fashioned fun.

That's why many companies make it part of someone's job to keep fun in the workplace. Ben and Jerry's Ice Cream created the position "Grand Poobah of Joy" and Kwik Fit Financial Services designated a "Minister of Fun."

Ask for volunteers to start a "fun committee" and they can organize things such as an:

- Elvis day
- After-work trip to a fair, and
- Ugly tie contest.

In addition to coming up with other fun events, they can create a bulletin board for appropriate jokes and cartoons.

The owner handed employees an envelope with \$25 in it to spend on themselves.

- One company's president allowed employees to use company cell phones, copiers and even cars for errands. It slightly raised costs, but it also alleviated a lot of employees hassles – which kept them motivated and focused on work. Note: He kept a schedule so all deserving employees got a chance to use what they needed.
- The director of a catalog call center "rigged" the soda and snack machine periodically so items came out free. (Of course, the vendor got paid.) She also rented a popcorn machine and played DVDs of classic television sitcoms (such as "I Love Lucy," "MASH," "Cheers" and "Seinfeld") in the break room during lunches and breaks.
- This is a freebie that got everyone involved: A manager at a trade association asked all of her employees to write a note nominating co-workers to be recognized as "Employee of the Month" and explain briefly what the nominee did. She picked the winner based on the special things that had been done, prepared lunch in the winner's honor and read all the kind words employees said about each other.
- A bank manager in the Midwest had index-size cards made with "EDGE" – short for Extraordinary Deeds through Genuine Efforts – printed on the top. She handed them out to all employees, who could write about a co-worker's above-and-beyond effort. Copies went to the employees and their managers, who gave praise for it at a group meeting.
- To raise morale even more after co-worker and customer accolades, the program manager at a small company had a small, inexpensive arrangement of

Got some space? Have a parade

One person doesn't have to shoulder the burden of coming up with creative ways to motivate on a budget.

Zappos.com President Tony Hsieh asked a different department to head a parade each month and gave them a small budget. The department picked a theme, created "floats" and marched around the offices, passing out candy and things related to the theme.

Example: One department held an Oktoberfest parade, during which employees marched around the office, played music and handed out sausage and a beverage that looked like beer.

flowers sent to employees (in-season flowers cost the least). The flowers on the employee's desk prompted even more morale-boosting praise from colleagues.

- One manager took his group out to breakfast (the least expensive meal of the day) quarterly. To motivate them, at the end of the meal, he went around the table and said something special about each person. He focused on unique skills and specific contributions each person had made recently.
- The same manager mailed a handwritten, personal note to each employee's loved ones about the good work and extra contributions. He thanked them for letting the employees be part of his team.
- One company equipped its break room with tables for foosball, ping pong, and pool. And the owner didn't spend a fortune on them. He found them at secondhand stores and garage sales.
- Another company equipped the break room with playing cards and board games. Managers also planned scavenger hunts and occasional indoor and outdoor picnics. It had a profound effect: Employees started spending more time socializing with each other during breaks – rather than on cell phones or e-mail. Building friendships helped build morale.
- At weekly department meetings, an accounts manager gave everyone who wanted the floor a "two-minute talk." They were invited to vent one minute about the worst thing that happened in the past week (a stress reliever). During the second minute, they talked about the best thing that had happened (a positive morale booster).
- Potluck meals within departments or whole companies are nothing new. But one director of operations added

Feedback from others boosts morale

Use feedback from your customers, clients, patients, patrons, etc., to boost morale company-wide.

At Cruise.com, a manager compiled excerpts from positive

e-mail, letters and phone conversations into the “Friday Fan Mail eBulletin” and sent it out company-wide.

Since customers comment on everything from billing to service to delivery, the comments hit home for nearly everyone. Plus, every department mentioned in the kudos was entered in a monthly drawing for a pizza party.

an inexpensive twist to make his more motivating. He gave everyone an extra-long lunch break to relax and enjoy the meal, and vote on the best dishes. Then he handed out small prizes – movie passes and gift cards – to the winners.

- Another manager used potluck lunches to recognize unique things about his employees. He handed out light-hearted awards and certificates: “Best Joke Teller,” “Best Under Pressure,” “Most Likely to Attend Happy Hour,” “Most Likely to Brighten Your Day.”
- A Georgia-based bank named awards for legendary employees. For instance, anyone in the company could nominate a co-worker for the “Ron Hicks Award,” given periodically to an employee who’d gone to extremes for a co-worker – like the award’s namesake often did. The trophies and accolades honored the namesakes and motivated people to emulate their positive attitudes.
- A busy VP calls at least five employees on his way home from work each day and leaves messages on their voicemail, thanking them for their efforts or complimenting them on extraordinary work. The brief call has two motivational benefits: Employees feel appreciated, and they get a motivational push first thing the next day when they hear the message.
- Another manager kept a stack of bright sticky notes in her desk beside her key ring so she’d write a few thank you notes to leave on employees’ computer monitors before leaving.
- The controller at an aeronautics company helped his employees blow off some steam in the middle of their busy time and recharge their motivation by letting them relive their youth. At lunch, he took them to an arcade and gave them each a roll of quarters. After work on other days,

he arranged roller skating and bowling outings.

- One company president, who also served on a few charity boards, boosted morale when he started treating his employees like volunteers. His principles:
 - guide, instead of direct, their work
 - say please and thank you more often, and
 - find out what excites them about their work and do more to fuel that passion.
- A small business owner, who was pulled in many directions every day, didn't always have time to see his employees do outstanding work and reward them for it. So he told them to come to his office after they'd done something great to get "A buck from Bob." When they told their stories, he handed over the dollar and congratulated and thanked them for the effort.
- Many managers use "antics" to motivate their employees to meet goals. For instance:
 - The president of an Ohio company told his employees he'd swim across a nearby lake if they met a goal. They worked harder to see their leader don a wetsuit – and cheer him on.
 - A finance director promised to wash her employees' cars in the company parking lot if they met a deadline. When they did it, she got busy scrubbing cars as they enjoyed a picnic lunch.
 - A customer service manager at a medical supplier shaved his head after his employees exceeded a new goal. Each employee got to take a swipe across his head with the clippers.
- An Arizona company gave employees "Education Bucks" as rewards. Employees could redeem them for seminars, training or continuing education classes that interested

them – and weren't solely job-related. If necessary, the company also gave employees time off to attend classes.

- All managers at an airline's headquarters "traded spaces" with their employees at one time or another. When employees needed a day off at the last minute, they were allowed to ask their manager to fill in for them. When possible, managers did it to relieve employees' stress and get their morale up again. On the flip side, managers called employees who'd asked for the trade to come in to help under dire circumstances.
- One manager whose employees worked on a clock gave them "shift flex." They moved their start and end time or lunch break 15 minutes when necessary and with approval. The little extra freedom and control kept morale up.
- When a managing director read that employees who had a best friend at work were more motivated, she attempted to foster more friendships. For instance, she organized lunchtime walks, after-hour trips to a local park for free concerts and popcorn breaks that everyone could take together.
- When business slowed and some employees' morale dropped, a CEO spent an afternoon praising their work individually. He did it in an apron, handing out cookies and school-sized cartons of milk. He stopped at each person's work area and thanked him or her for efforts that kept the company thriving.
- Since stress is a major culprit behind low morale, an administrative assistant at a bank turned a storage space into a "stress relief room." She filled it with a donated second-hand couch, magazines, books, easy-listening CDs, coloring books and crayons.
- The president of an energy company asked his managers to forward him the names of unsung heroes from their

How to motivate two employees in one shot

When employees recognize each other, two people are motivated: the giver and receiver.

- Caterpillar gave employees 20 “Cat Bucks” twice a year. Employees give them to co-workers they see go above and beyond the call of duty. Cat Bucks can be turned in for food and company merchandise.
- Managers at The Weather Channel give fake dollar bills with the CEO’s face on it to employees, who hand them out as thank yous to co-workers. The person with the most at the end of the month gets a prize.

departments. He visited or called the employees weekly and thanked them for their work. Then he asked if there was anything he could do to help them do their jobs better. Most employees wanted him to remove obstacles that slowed them from getting their work done – not an expensive fix, but important to keeping people happy at work.

- To make sure rewards she handed out motivated employees on a personal level, the human resources manager at a financial company asked new hires about their “favorites.” When employees filled out paperwork on the first day, the manager asked them to list their favorite collectible, restaurant, actor, hobbies, candy and soft drink. With that, she knew what inexpensive candy, movie passes, knick-knacks and gift cards would work best.
- Faced with lean times, a sales director praised her employees, told them the reward budget was small and asked, “What can I do for you?” Employees said free dry cleaning and periodic half-days on Fridays would keep them motivated. The low-cost ideas worked because they were exactly what employees wanted.
- Another manager asked flat out, “What kinds of rewards would you like that cost less than five dollars?” The gift cards to local lunch hot spots, ice cream coupons and phone cards turned into fun morale boosters in stressful times.
- A manager at a California transportation company handed out “E-time”(short for earned time) when employees correctly answered the question of the day about procedures or company services (15 minutes), exceeded goals and standards (15 minutes), or received an unsolicited compliment in writing (half-hour). Employees could use E-time to come in late, leave early or spend extra

time in the “E-time Room” – equipped with a couch for lounging and cable television.

- During the long, cold months, when employees might feel some “seasonal affective disorder,” the director at a healthcare organization brought outdoor sports inside the office. She called it “Sports Day” and let employees bounce an inflatable ball around their cubicles for a volleyball game, maneuvered several putting greens through hallways for golf and arranged bean bag tosses during lunch breaks. Employees earned points at each event and were rewarded with sports drinks, energy bars, and golf and beach balls.
- This cost-free tactic came from a dot.com company: Managers asked employees to bring in photos of their families and friends. After work one night, managers created a “Family Montage” near the office entrance to highlight everything that was important to employees.
- For stress-releasing kicks and giggles, a manager at an airline spontaneously asks questions such as, “Who holds the oldest coin?” “Who has the most credit cards on hand?” “Who has the most unusual item in his or her purse or wallet?” He hands out candy or pens to the winners.
- The manager at a fast-food restaurant gave \$10 to any employee who read a book and gave a short report on it at group meetings. He called it “Reading for Growth” to inspire education (everyone could learn something new), socialization (it got employees talking about similar interests) and motivation (learning something outside the box boosted morale).

Tactics proven to work

These unique motivation tactics work across almost all industries and departments:

- Print business cards for each employee. It can be done

inexpensively online. Even if some people don't have much reason to hand out cards, having them is a reminder that they're important.

- Make your people the face of your organization. You have to advertise anyway, so why not put their smiling faces in your ads or feature them in company publications, such as newsletters.
- When you recognize an "Employee of the Month, Week, Quarter," give him or her a special parking spot and a pin-on badge with the title.
- Give employees space to do their own bragging. Put up a large bulletin board and invite them to fill it with certificates, newspaper clippings, artwork and other noteworthy items about themselves or their loved ones.
- Place an ad in the local newspaper each month praising employees who've met goals, celebrated anniversaries with your company and have done outstanding work. Even cheaper: If your local paper has a business briefs section, submit a press release, and it might run in the paper for free.
- Kick off each week on the right motivation foot with an e-mail or memo to spread good news. Call it "Motivation Monday Memo" or "Smiling Sunday News." Mention things that went right in the past week – perhaps a completed project or improved numbers – and congratulate individuals and teams who had a hand in them.
- Thank and congratulate employees who deserve recognition before and after meetings like this: Take their photos and make them into a loop of PowerPoint slides. Add their names and a few words on what they did. Roll the slides 10 minutes before the meeting starts while everyone gets seated and when it's time to break up.
- Bring in a yoga instructor once or twice a week during lunch and invite employees to take a class. It's proven to cut stress,

Get everyone involved

Here are two proven ways employees can thank and motivate each other:

1. At a dental office, employees wrote on a raindrop-shaped piece of paper something special a co-worker did and dropped it in a bucket in the break room. At the end of each week, the manager read the drops in the bucket to everyone and pulled one randomly for a gift card.
2. Employees at Rice University sent "Owelets" (named for their mascot) to co-workers to thank them for extra efforts or nice gestures. A manager listed them in a weekly e-mail and encouraged everyone to congratulate the recipients.

which can have a positive effect on morale.

- Offer community service days. Many companies found success in giving employees a few days away from work each year to volunteer for their favorite charities. Doing good just feels good.
- Allow employees to occasionally work from home. Perhaps they can take a pile of paperwork home or make calls or prepare a report. Most people relish a day without a commute. In addition to the morale boost, many employees are more productive at home without workplace distractions for a day.
- Check in to technology discounts. Companies often get discounts because they buy computers or cell phones in bulk. Work with suppliers to extend those discounts to employees for their PCs and other technology they want.
- Give shiny cars. You can buy express car washes for about \$5. So for \$100, you can give 20 employees clean cars.
- Give praise worth showing off. Adults like "gold stars" on their work from the boss almost as much as kids like them from their teachers. As a twist, try bold-colored magnets with inspirational sayings. Tack a note under it, telling employees what they did to inspire you. The magnet will stick around to remind them how much they're valued.
- Hide appreciation, too. In addition to formal letters and cards of appreciation for good work, leave notes in places employees aren't expecting them. For instance, write "You handled this situation like a true professional and made me proud" on a sticky note. Place it in a file you know an employee will pick up soon.
- Offer employees a chance to win "well days" to reward

and motivate them. Employees who earn well days can use them when they want to see the big game, visit a friend or just need to take a breather.

- Host a regular “Good News Meeting.” It might be best to start the week off with this morale booster. Share success stories, compliments you’ve heard from workers and customers that have been passed on to you, good news about the company and/or industry and upcoming events. Ask employees to share only positive information.
- See your customers. Even if your employees have no direct contact with your company’s customers, they’ll probably be happier at work if they meet at some time. Reason: A study found cafeteria line workers were much happier than those who worked in the kitchen. Why? Line workers got to see customers, see how their work affected customers and interact socially.
- Celebrate more accomplishments. Have cake or fruit for birthdays, work anniversaries and other achievements. You can bundle a few into one monthly celebration, but take time to recognize each person individually.
- Take it a step further and recognize what’s important to employees. Send birthday cards to their kids and spouses. Send flowers if a loved one is sick. Post newspaper clippings about their families’ accomplishments.
- Add a handwritten note to your employees’ paychecks from time to time. Highlight something they did, how you felt about it and the effect it will have on the company, co-workers or customers. For instance, “Jill, your perseverance helped us find the software bug. I’m proud you’re part of my team. You saved us a lot of time and money.”
- Stretch your efforts to keep employees by praising them in front of executives and customers. For instance, say, “Mrs. CEO, Sal is the sharpest technician we have. You can count

on him to deliver flawless work." Or say, "You're in good hands, Mr. Customer. You're being helped by our 'Employee of the Month.'"

- Encourage employees to keep a "Pick Me Up" file. Have them stash positive notes they get from co-workers, bosses, friends and customers in the folder. When they feel discouraged or their morale is starting to slip, they can pore through the file to cheer up.
- Make it easier for employees to practice their hobbies at work or with co-workers. Talk to employees about their leisure-time activities to find out the most popular. Then post sign-up sheets for activities such as book clubs, volleyball games, Bible study groups, weight watchers, walkers, etc. Give them space and some extra time to do these things once a week.
- Give candy with meaning as a motivational surprise. Attach notes to these candies:

Pack of Extra gum. "Thanks for the extra effort."

M-azing bar. "You do amazing work."

Milky Way bar. "Your performance was out of this world."

Bubble gum. "Good job sticking together to reach the goal."

Peppermint Patty. "For your commit-mint to our work."

Tootsie Roll. "You're a roll model for others."

Cookies. "You never crumble under pressure."

Crunch bar. "We can count on you in a crunch."

Lifesavers. "Your extra work saved us."

M&Ms. "Thanks for the Meaningful and Memorable contribution."

What doesn't work: 2 tactics to avoid

This report focuses on what works to motivate employees. But it's also important to know what doesn't work.

1. Fear. Yelling or threatening employees with their position or status might light a fire under them immediately, but it won't last long and will eventually discourage them.
2. Your motivators. Different people are motivated by different things. It's very unlikely that what motivates managers will equally motivate their employees.

- Take photos of your employees every year on the anniversary of the day they started. Post them on a wall where you've put up headings "One year of appreciated service," "Two years of appreciated service," etc. Invite employees' co-workers to a ceremony when you hang photos and talk a little about their past-year accomplishments.
- Food almost always motivates. Try these twists to feeding morale:
 - Hand out boxes of raisins and sodas for an afternoon snack to recognize employees who have been "raisin" the bar to new heights with their work.
 - Cut cupcakes or muffins in half to celebrate making it halfway to meeting a goal.
 - Put out bagels and doughnuts to celebrate coming full circle on the completion of a project.
- Plan a "fun lunch" for your employees periodically. Make a reservation, allow them to take a little longer lunch, pick up the bill (if possible) and impose one rule: Nobody can talk about work. Anyone who does will have to buy dessert for the table.
- Ask employees to give tours of your company to prospective employees, customers or anyone else who visits. Being chosen to represent the company is usually an honor. When you introduce them to the visitors, say something like, "Tina is one of our very best employees, and we're proud to have her as part of our team."
- Put a "recognition box" in a central area and stuff it with cards, sticky notes, stickers, bookmarks, etc., and encourage employees to use the contents to congratulate and thank co-workers.
- After someone puts in an extra effort, send a care package

home to the employee's family. Include items with the company logo and passes for all family members to see a movie.

- Hand out lottery tickets as on-the-spot motivational rewards. They only cost a few dollars, but one might turn out to be a big winner.

Inexpensive ways to motivate through training

Helping employees get better at what they do, or broadening their knowledge so they can grow into new areas, has a profound effect on morale. Here are inexpensive ways to use training as a motivator:

- Local professionals will often speak for free on topics, such as finances or fitness, that your people might find useful in their professional or personal lives. Talk to friends, family members or professional organizations to find relevant speakers and arrange seminars your employees would enjoy and benefit from.
- Check your local chamber of commerce or library for other sources of free or inexpensive training. The chamber can often hook you up with retired executives who like to share their business knowledge. Many local libraries offer computer, Internet and career training at no cost. Almost all libraries have resources on everything from selling to yoga.
- Toastmasters, an international group of speakers, has chapters almost everywhere. You can find speakers nearby who will talk to your group inexpensively, or you might send your employees to attend one of their seminars (www.toastmasters.org).
- Many college professors and graduate students have knowledge they'd like to share outside the classroom and in the "working world." So they're willing to work with companies and train in their areas of expertise. For instance,

a marketing professor and one of his advanced classes worked with a small company that had no designated “marketer.” An employee who was interested in growing within the company worked with the professor and students to create a marketing scheme and learn new skills that helped him become the company’s marketing department.

- Form a training co-op. You might be able to team up with other businesses in your area and offer joint training courses. For instance, if sales is a strong point for your company, maybe you can offer training for people interested in moving into sales. Another business that’s known for its quality control can have someone host a training session for employees who are interested in the topic.
- Get vendors involved. The companies that manufacture the equipment you use will likely send in a pro to help everyone who’s interested optimize their use of the products or services.
- Become involved with a professional association. It’s likely your company already belongs to an association for its industry. Those associations often offer free or low-cost training – sometimes done via Webcasts, audioconferences or in nearby locations – that is geared toward trends in your industry.

Teambuilding as a motivator

Teambuilding activities do more than create a cohesive, efficient group. The fun and challenge involved in the activities also motivate employees. Here are some inexpensive teambuilding activities that boost morale:

- Live plants lift moods and cheer up drab work spaces, research shows. So give your employees plants for a friendly competition to see who can keep it alive and flourishing the longest. They’ll have to rely on each other when they’re away,

so the activity builds teamwork while the plants build good moods.

- Get employees to try something outside of work together. For instance, invite them to sign up for a cooking, martial arts or dance class at the community center, which is usually inexpensive. The time together strengthens teams, while the fun and laughter strengthens morale.

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