

HOW TO EARN THE LOYALTY OF ENTHUSIASTIC AND COMMITTED EMPLOYEES: REINFORCEMENT THEORY AND EMPLOYEE RETENTION

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If all you have is a hammer, everything looks like a nail – and you pound away. If your only tool is a hammer, then everything you see needs pounding. Too many managers in the service sector are "pounders" as the only nail they see is hiring more and faster. When employee turnover is too high, they pound it, hoping to get new employees through a revolving door faster than existing employees can exit it. There's a place in the effective management of service employees for hammering on staffing: an aggressive approach to getting quality applicants in the door is the first step toward taking care of your customers.

But it's just one of the nails to pound. Employee retention is an equally important nail to pound as it involves answering the question of how to *engage, keep, and cultivate employees as ambassadors for your enterprise*. Over the years, I have seen lots of tactics aimed at addressing this challenge. Some of them are good, but even the good ones mostly miss the mark in terms of maximizing employee retention. There's a simple fix: stop mindlessly approaching retention; that is, jumping on the latest fad in lieu of working with a proven strategy. Motivation theory, and specifically *reinforcement theory*, is a proven and crayon-simple tool you can use to build a team that performs, fits your culture, and stays.

REINFORCEMENT THEORY IN A NUTSHELL

Reinforcement theory – fathered by the work of the famous psychologist B.F. Skinner – is one of the oldest theories of motivation and, therefore, one of the best understood. It provides a way of understanding why people do what they do. For this reason alone, it's one of the more useful tools in any leader's toolbox. Briefly put, the theory states that behavior is a function of its consequences. Change the consequences and you change the behavior – or so the theory goes.



Combined with other theories such as those that address core human needs¹, it provides keen insights to important enterprise processes such as recognition, incentive compensation, and building employee retention. Generally speaking, there are four primary approaches to reinforcement theory; namely, (1) positive reinforcement, (2) negative reinforcement, (3) positive punishment, and (4) negative punishment. However, only two of these approaches are effective in a work environment where great employees are best thought of as "volunteers" in the enterprise's success.

A Bit More Theory

People tend to repeat the behaviors that result in what *they see* as positive outcomes and to avoid behaviors that result in what *they see* as unpleasant outcomes. This is the essence of the *Law of Effect*, and while there is a bit of

¹ DeCotiis, Tom. Leadership: People or their Emotions? Part 1: Belonging and Significance, Corvirtus, 2014.

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a "Duh" factor to the statement of the law, its importance to your effectiveness as a leader cannot be overstated. It is most useful in not only structuring positive consequences ("Thanks for answering that customer's question in such a positive way."), but in trying to understand employee behavior that seems contrary to the best interests of the employee ("What?! Why are you late again?").

What the leader has to understand is not only the "why" of the positive behavior, but the "why" of the negative behavior. If the leader looked deeper into the behavior, what he or she might discover is that being late *is positive* in that the employee has "more time to himself" and nothing negative happens other than the leader momentarily expressing dissatisfaction. For the employee, that may well be an "I win, you lose" scenario. This is where reinforcement theory can provide a strategy for improving performance.

REINFORCEMENT STRATEGIES

The four strategies for reinforcing behavior: positive reinforcement, negative reinforcement, positive punishment, and negative punishment, work something like the picture shown in Figure 1.

Both positive and negative reinforcement are two methods for *increasing* desired behaviors. In a nutshell, positive reinforcement gives more of what employees want and negative reinforcement gives less of what employees *don't* want. In the instance of negative reinforcement, it's important to remember that reinforcement does not mean "bad" stuff; instead, it means only the removal of something the employee does not value. Let's see what that might look like when applied to our chronically late employee.



Figure 1. Methods of Changing Behavior



Figure 2. Positive and Negative Reinforcement

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Positive reinforcement is the "good stuff" (from an employee's perspective) that follows from the desired behavior (e.g., being on time). Reinforcement theory says that the more "good stuff" following the desired behavior, the more desired behavior you will see. Plain and simple: it's a reward-based way of changing behavior through "good stuff" such as increased pay, promotion, days off, public recognition, and so forth.

In contrast, negative reinforcement involves the removal of unpleasant things such as a less desirable schedule, criticism, close supervision, and being passed over for a promotion. As an example, when I was in junior high school, I worked Saturdays at a gas station in my neighborhood. As the "newbie" on the crew, I was assigned most of the least desirable tasks such as cleaning up spilled oil and cleaning the restrooms. As I got better at these and other tasks, I found that I was no longer the automatic "go-to" for unpleasant tasks such as "bowl patrol." I don't recommend negative reinforcement as a way to build positive behavior, if for no other reason than it is hard to monitor.

We've covered positive and negative reinforcement – what about punishment? I introduce it only to complete our survey of reinforcement theory as it is tricky to use; especially, in a work environment. Punishment drives people to do the right thing (e.g., showing up on time), if only to prevent bad things from happening such as public humiliation, being sent home, or yelled at. You probably immediately see the irony of this definition and my caution on using punishment, or avoidance learning (as it is sometimes called) even though many managers use it all the time! A staff member does something wrong and the manager goes ballistic. Such behavior may relieve some of the stress the manager feels,



but only by transferring it to his or her team. It is never a good way to earn the loyal and enthusiastic commitment of employees. PERIOD! What my experience, and substantial research in the field of employee motivation, supports is that the main outcomes of punishment are increased employee turnover, decreased innovation, and loss of employee ambassadorship. Don't use it – and if you have been using it: get over yourself.

Of course, our behavior is not completely under the control of our environment – or our manager. Skinner saw no reason to consider the effect of a person's intentions and goals on behavior. For him, the whole enchilada was the environment and consequences of behavior. Common sense and experience tell us that he was wrong on this score as people are more than the sum of the consequences of their behavior. Indeed, one reason we intensely focus on vetting candidates in the hiring process is because individual differences such as knowledge, skills, abilities, motives, and personality strongly influence behavior.

USING YOUR NEW KNOWLEDGE TO BE A BETTER LEADER

I work a lot in the restaurant industry as well as other industries where service is a major determinant of customer satisfaction. I have learned a lot of things from this experience. One of them is this: the turnover rate <u>within</u> a given service industry is *always* substantially lower than it is <u>between</u> industries. For example, as I write this article, the hourly turnover rate in the full-service sector of the restaurant industry is around seventy percent – and rising as the economy improves. However, within the industry, I reckon the turnover is on the order of twenty percent or less.



What that means is that hourly employees are serial quitters. They quit a restaurant, walk out the door, and join another restaurant – often with no loss of work time. They are not leaving the industry in droves, but they do leave restaurant employers in droves. The reality is that they are quitting "bad" restaurants in hopes of finding a good place to work! That's perfectly rational behavior, and so is staying with a "good" place to work. "Bad" in the case of human motivation means only one thing: "My "good stuff" is not being reinforced (recognized and rewarded) here so I might as well try it somewhere else." My dime on this state of affairs is that most managers do not have a turnover problem; instead, they have

a serious and expensive retention problem that could easily be solved through mindful-management focused on understanding the motives of your staff members and aligning how you behave with that agenda.

Solving this problem is far cheaper than living with it. For example, do you call a new hire *before* their first shift to tell them how much you appreciate them joining your team? Do you check in with them during training to see how well they are being trained? Do you call them at home after a shift or two to ask how it's going for them? Do you introduce them to the rest of the staff with a genuinely welcoming attitude on your part? When they get something right, are you the first to praise them? This is all stuff you can do in the first week of employment – and it costs nothing except a little time and mindfulness. These are among the jillion things you can do in order to be a good place to work and build employee retention through reinforcing what it is you want to see and sending the most important message of all to each employee: you belong here, and are valued for who you are and what you do.

ABOUT CORVIRTUS

Corvirtus provides a range of innovative, science-based measurements and services that tie a company's culture and core values to talent processes. Corvirtus solutions have enabled hundreds of companies to strengthen and scale their corporate cultures, and to identify, develop and retain those employees with the characteristics and capabilities essential for business success and customer satisfaction. For more information, visit www.corvirtus.com, email info@corvirtus.com or call us at 800-322-5329.