

Incentivisation

“A process by which a provider is motivated to achieve extra value added services over those specified originally and which are of material benefit to the user. These should be attainable against pre-defined criteria. The process should benefit both parties” (CIPS, 2006).

Employee Incentivisation

How do I increase my workplace productivity?

Incentivisation Checklist

- ☒ Profit Sharing Scheme
- ☒ Target Cash Bonus Scheme
- ☒ Freebies—Free sport / cinema tickets etc.
- ☒ Downtime—company nights out
- ☒ Recognition—Employee of the month
- ☐ Flexible Working Hours



Profit Sharing Scheme— Many companies offer a profit sharing scheme, this scheme is based on providing additional payments to staff based on the companies profitability. This gives the employee the incentive to work harder in order to make more money for the company and themselves.

Target Cash Bonus— This form of incentivisation works on the idea of setting a target for employees to reach. Should the employee reach or supersede their target they are eligible for an additional payment of money or another form of gift.

Freebies— This form of incentivisation works under the impression that if an employee preforms well they are entitled to “Freebies”. The term freebies can mean a number of things and is based around knowing what your target audience may want. Many companies offer a number of discount vouchers for food & drink or even money off your weekly food bill. Some offer all expense paid nights out drinking with your colleagues, it offers excellent social opportunities outside of the workplace and can help build better relationships.

Recognition— Sometimes employees will be satisfied by being recognized for their achievements. Sometimes a “Great job on your performance the past few weeks ” and a gift certificate can go a long way in making employees feel appreciated and often helps motivate them to work harder in order to earn more recognition.

References:

CIPS, 2006. *Incentivisation*. [Online]
Available at: <https://www.cips.org/Documents/Resources/Knowledge%20Insight/Incentivisation.pdf>
[Accessed 18 05 2020].

Jeffway Electrical have a 18 month contract with Newport City Homes to rewire 500 houses. Each week NCH adds another 10 to that list.

12 months pass and Jeffway have completed 658 out of 1020. As NCH had not specified the additional properties in the contract. Not all of the rewires will be completed on time.

NCH offers Jeffway an incentive, knowing the management staff are big fans of the Ospreys rugby team they offer season tickets for home games with a £25,000 bonus incentive payable to the company should the work be completed on time.

Jeffway agree to the incentive under the condition that should the work not be completed on time they will endure the agreed weekly charges as a consequence.

With another contract nearing its end Jeffway utilize their manpower and increase the number of properties rewired each week. All works were completed 8 working days early and the incentives were paid as agreed.

Contract Incentivisation

Our funding will be cut if we do not meet the new deadline. The contractor is 3 weeks behind schedule. What can we do to motivate them?

We could offer them a time—cost incentive, we pay them extra if they can bring their program up to date.

What would they want aside from money? Have they got kids? Private healthcare? Do they follow sport?

We could ask them to sacrifice on quality in order to save time and money. Pain and gain.



Time - Cost incentive— This form of incentivisation allows for the contractor to be allocated an additional sum of money for them to achieve their targets. Often applied with the consequence that if the work is not completed on time then the contractor will incur charges (often weekly) until the project is complete.

Pain & Gain— This form of incentivisation guidelines a form of sacrifice (Often on quality or material) in order to allow works to be completed quicker. This form of incentivisation is not looked upon favorably by most clients as they will often not receive the same quality of building as expected throughout the design stage. Any pain and gain incentivization must still adhere to the guidelines set out in the approved government documents.

Psychological Incentive— A psychological incentive is only useful if you know your target audience. The idea of psychological incentives is that you make an offer that would please the other person. For example if the audience had young children then you may offer free childcare over the summer holidays. Another example could be sports related, it's widely known that many in the construction industry enjoy sports over the weekend. An incentive they may be interested in could be sport tickets.

All incentivisation agreements will often have an agreed consequence should the contractor not meet their targets.

ita group, 2019. *Driving Performance Through Recognition and Incentive Programs*. [Online]
Available at: <https://www.itagroup.com/insights/driving-performance-recognition-incentive-programs>
[Accessed 17 05 2020].

Complex Construction Site Layouts

A key part of any building project the site plan layout. A good layout can make a huge difference in the 3 key qualities of a building project;

Cost - Reduction of delivery costs provided there is enough space to store items safely away from harm.

Time - Reduction in time taken to move materials into place for use.

Quality - Materials in good condition are essential for a good standard of building.

Many sites are simple and all materials and plant can be safely and securely stored on the site behind site hording. Other sites which offer a degree of complexity require 'outside the box thinking'. For instance this building site shown under Figure.1 and Figure.2 is of a new student accommodation building. The location of this building sets forth a number of building constraints and offers a degree of complexity.

As the structure is to fully encompass the building area with an underground basement area, there is little to no space left for material and plant storage. As a result the material and plant compound (As shown in Figure.1) is located approximately 400 yards away. This is subject to the land owners discretion and could also form another contract for the rental and limited use of the land. Now this itself sent out further issues the contractor may face. Moving plant and materials from A to B could also incur additional costs which should be covered in the contractors preliminaries. "For any vehicle to be used on the public roads in Great Britain, it must comply with insurance, licensing (tax) and registration requirements." (Department for Transport, 2010). With these regulations in place many construction vehicles may be adapted for road use.

Another issue that may arise is the location of the site and the relevance of the main road the structure sits along. This could arise a time constraint on the movement of plant and materials as to not cause too much disruption to the regular road users. A time constraint should always be assumed and then discussed with the local authority before carrying out any works.

Temporary road traffic management systems may be required at various stages throughout the project, always refer to the local authority and guidance in these matters.



Figure 1 (Image taken from google images and adapted)

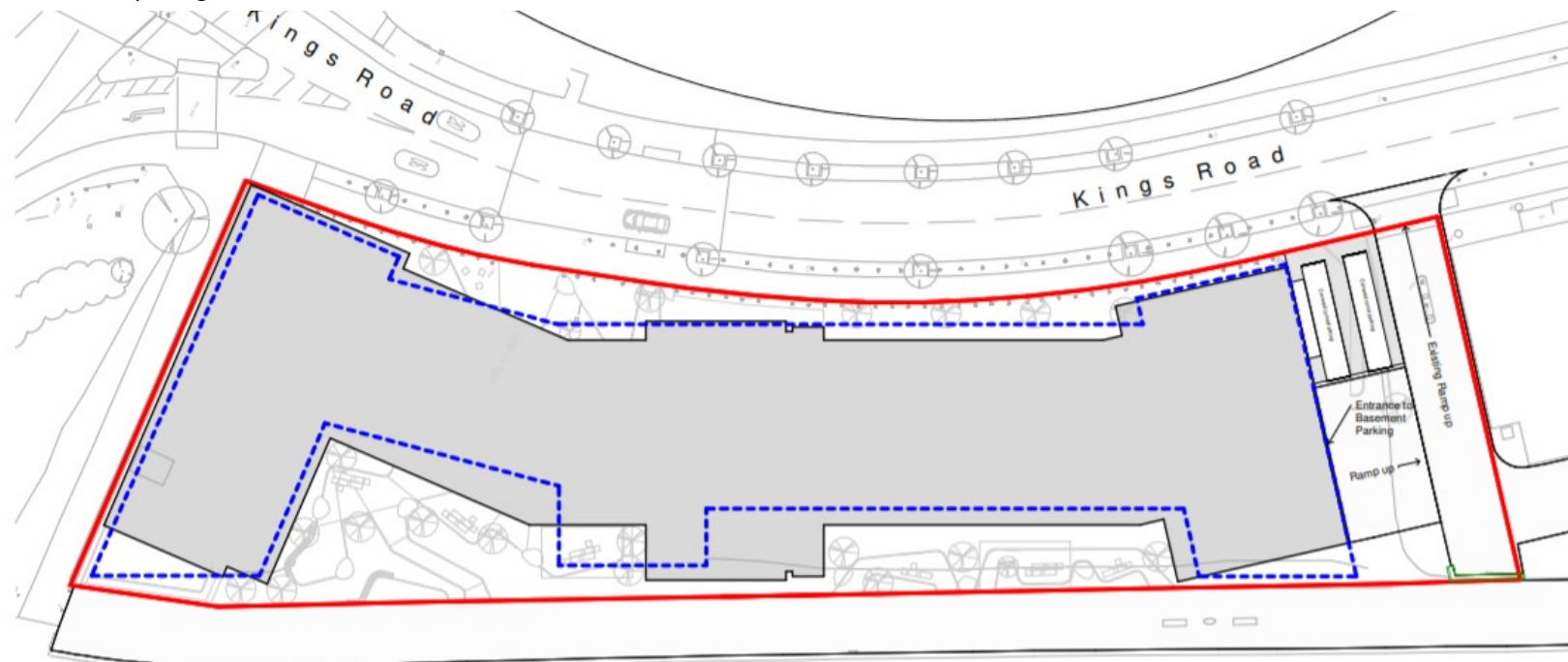


Figure 2 (Current site plan) Plot A1 Kings Road, Swansea Docks, Swansea.

References:

Department for Transport, 2010. *Engineering plant vehicles*. [Online]
Available at: <https://www.gov.uk/government/publications/engineering-plant-vehicles/engineering-plant-vehicles>
[Accessed 19 05 2020].

Health and safety applies to all parts of a construction project. From the initial design stage through to the final product. The Health and safety at work act 1974 is the primary piece of legislation that covers all occupational health and safety guidelines throughout the UK. This document sets out the legal general duties that the employer has to their employees and members of the public, the duty between employees and their duties that self-employed have towards themselves and others. On a construction site a duty of care to the public is essential and can play a huge role in the planning application stage. Health and safety from the employer to the employee covers everything from the correct PPE and toilet facilities to having a safe designated cafeteria for lunch breaks. Self-employed persons can also agree to use the same facilities at the contractor's discretion. As seen in Figure 1 there are designated site offices next to the material and plant compound which also encompasses toilet facilities and a cafeteria. Site hording is essential in all projects as it sets the site boundary and separates members of the public from any harm (As seen in figure 3). Site hording also gives the site a degree of security often with added CCTV cameras to protect active sites, plant and materials. Many sites employ the use of security guards subject to them having an SIA license enabling the employer to know they are competent and able to work. All members of staff on any sizable project must undergo a site induction before entering site. These site inductions cover health and safety issues that may be found on site and will identify clearly what actions to take should there be an accident on site. All incidents on site must be recorded in an accident or near-miss book which is usually kept in the site office and filled out by the employee and designated first aider (Often the site foreman or site manager).



Figure 3 (Image taken from Kings Road, Swansea)

Figure 2: WESTWORKS, 2018. *Planning – Planning Application Documents*. [Online]
Available at: <https://property.swansea.gov.uk/online-applications/applicationDetails.do?activeTab=documents&keyVal=P7P0EIEVHRD00>
[Accessed 19 05 2020].

For further detailed information on workplace health, safety and welfare please refer to the workplace regulations available at <https://www.hse.gov.uk/pubns/books/I24.htm>