

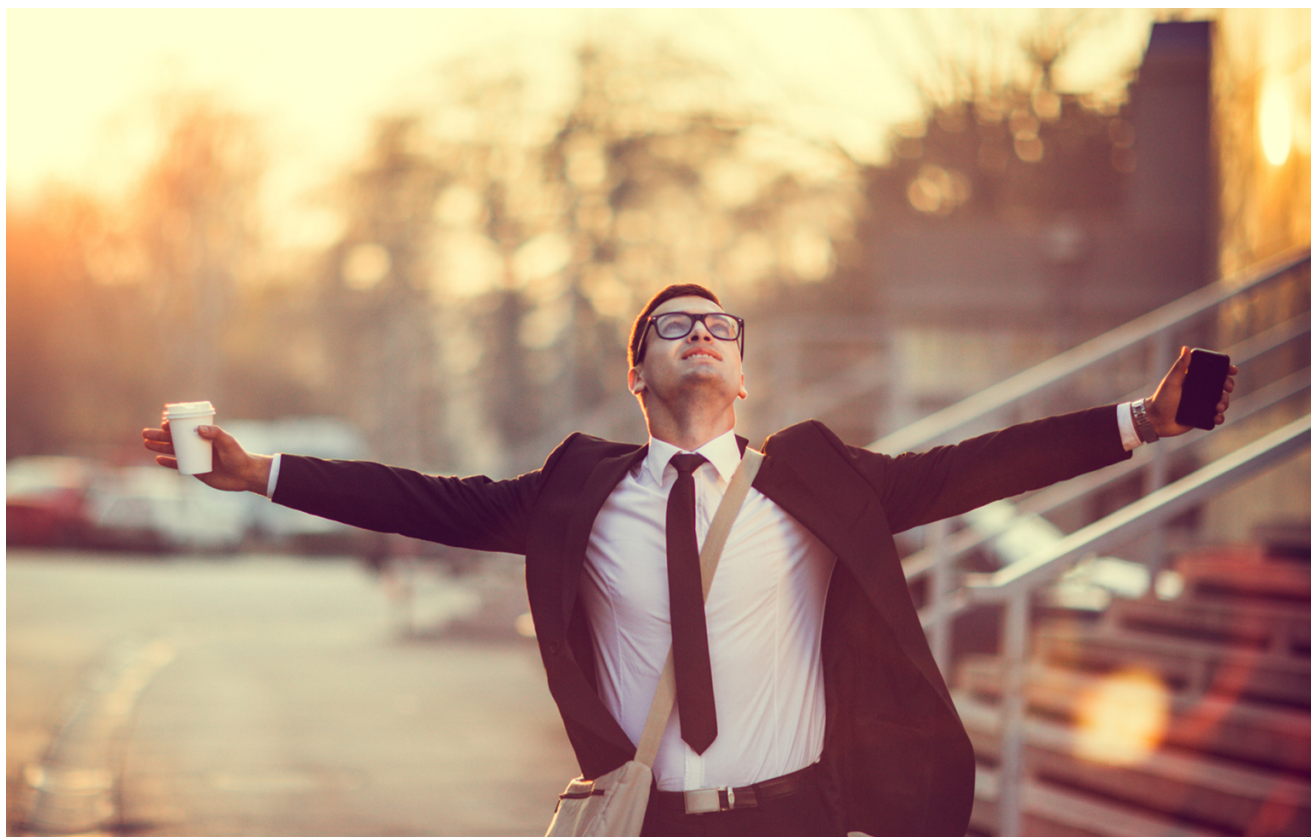
Kun Huo | Beyond the paycheque

ivey.uwo.ca/news/knowledge/2017/2/kun-huo-beyond-the-paycheque

Communications

KNOWLEDGE · COMMUNICATIONS

Feb 2, 2017



When it comes to motivating employees, a paycheque may not be enough.

Assistant Professor Kun Huo researched ways to improve employee engagement and productivity, outside of financial incentives, and examined which employee groups most benefit from non-financial incentives.

Instead of using the popular Relative Performance Evaluation (RPE) method, which numerically ranks employees based on performance, he found it is more effective to use the Relative Performance Information (RPI) approach. RPI does not evaluate employees, but instead provides information on how others have succeeded.

“I take the evaluation part out. There’s no hiring or firing positions based on this. Accounting is about providing information, so an alternative is to provide people with information about how other people [succeed] – like your peers – top performers are then recognized in public for their achievements.”

While RPI is beneficial because it motivates employees through social recognition incentives, Huo said RPE produces unnecessary stresses in employees, and even job loss.

Huo also said combining RPI with training can make training more effective since training may prove insufficient if employees are not engaged and effectively applying their skills.

[Read the full Ivey Impact article](#)