

EXECUTIVE SUMMARY OF THE HORSEPOWER SYSTEM™

By Paul Herr

Introduction

If you are a profit-minded CEO or CFO, here is an important question—If you could double employee motivation, innovation, productivity and shareholder return without paying employees a single penny in wages or benefits, would you do it? All you need to do to create this financial “miracle” is create a human friendly workplace that provides the emotional incentives (intrinsic rewards) that all human beings crave! I want to make your workplace so exciting and rewarding that your employees might come to work just for the thrill of it. My goal is to help you create the ultimate people-play—a company that performs spectacularly by getting the people-part right!



*“What gets
measured gets
done.”*

The Horsepower System makes employee engagement a top priority. The logic behind this approach is simple; if you take care of your employees, your employees will take care of the customer, and you will make lots of money. In other words, the best way to make money is by not focusing on making money. Money is the side-effect of providing value to your employees and your customers.

Companies spend much more time working on strategy than they do working on leadership, culture and motivation. This is unfortunate because the best strategy in the world will go nowhere without employees who are motivated to energetically execute the corporate plan. According to an article in the Harvard business review, relegating motivation to the back seat is the primary reason why only 30% of strategies are successfully executed.

How would you respond to your board if they wanted to know your precise plans to improve innovation, achieve top scores for employee engagement, retain top talent, increase productivity and improve strategy execution. These are all challenging objectives because they involve the complex subject of human motivation. The Horsepower System will help you achieve all of these priorities, and more.

Introducing the “Master Metric”

It's obvious that metrics are an important part of running a business. Employee motivation is one of those things that typically does not get measured so it's easy to ignore in the rush to get business out the door. The Horsepower System does not allow managers and supervisors to ignore the motivational engine. Each department is separately tracked and each manager gets his/her own leadership dashboard that shows, at a glance, if employees are functioning optimally or malfunctioning. If motivational horsepower is negative, it means that employees find it painful coming to work and that the motivational engine is malfunctioning. In this event, a “service engine soon” light will be illuminated on the leadership dashboard and the software will provide leadership tips (Tune-Up-Tips™) to fix the malfunction. This system, if fully implemented, can literally double employee motivation and shareholder return—because it already has.



*“Aligning
corporate policies
with human
nature will yield
the optimal
result”*

The Horsepower System measures employee motivation monthly with a short, 7-question survey. You might protest, “We are too busy to take a monthly survey. Besides, we already measure employee engagement on an annual basis.” My answer, “Would you measure cash flow annually? Or revenue annually?” It is my contention that motivational horsepower is the *master metric* that drives everything else. If you can get your horsepower to go up, then every desirable financial, HR and operational metric will go up with it. The logic behind this bold statement is simple: rewarding feelings drive behavior and behavior determines organizational performance. In my opinion, it is simply un-businesslike to measure employee motivation just once a year. Do you really want to wait until the end of the year to find out that your motivational engine is malfunctioning?

Our Target Market—Enlightened Leaders

Frankly speaking, this management tool is not for everybody. My target market is enlightened leaders who believe, deep down, that people and motivation matter in business. Your leadership instincts combined with my philosophy and management system, will yield spectacular results for everyone involved. If employee engagement is one of your top priorities and you strive to become one of the “best places to work” in your industry, my motivation-management system is just what you are looking for. It will help you organize and manage the complex culture/leadership/motivation side of your business. I will help you turn employee motivation from a once-a-year

afterthought (once-a-year survey) into a vital business priority by embedding leadership and motivation into the fabric of your day-to-day routine.

Command-And-Control Leadership Isn't Working

In my opinion, traditional top-down, command-and-control, machine-like workplaces are antiquated dinosaurs that are ill equipped to survive in a turbulent global marketplace characterized by rapid change because they fail to bring out the best in people (they fail to tap into the motivational engine).

The status-quo approach is coercive and creates grudging compliance instead of passionate performance. The status-quo “best practices” have created a dysfunctional world where only 30% of employees care about their work (Gallup, 2009), only 30% of strategy initiatives succeed (Harvard Business Review, 2010), only 30% of change initiatives succeed (Harvard Business Review, 2010), and where only 20% of mergers and acquisitions increase shareholder wealth. Put another way, corporations, in general, earn failing grades for “Employee Motivation 101.” This is not surprising because we have all been miss-educated. Business schools teach us how to organize and plan but not how to energize and empower our organizations. We are taught to disrespect the motivational engine by treating our employees in a cool, dispassionate fashion and it costs us dearly in terms of lost productivity and reduced innovation. If you agree that corporate priorities are out of whack, I can help your company get headed in a more promising and profitable direction.



“Motivating employees is not that difficult once we understand how the engine works.”

Internal-Marketing and Focus-Groups

I have studied the motivational engine for 30 years. I know what the human engine looks like and how leaders can tap into it. Best of all, I will do it using simple logic, the latest science and a businesslike, internal-marketing approach.

Managers are accustomed to paying attention to customer needs. After all, that is what marketing is all about: assess the needs of the customer and then design a product or service to satisfy those needs. The Horsepower System takes this tried-and-true approach and turns it inward on your internal customers, your employees. The Horsepower Survey will assess the needs of your internal customers on a monthly basis. Managers and employees will then meet to jointly review the results and solve any problems that arise. These monthly focus groups will provide preventative maintenance for your

valuable human capital by fixing problems before they impact the bottom line. The focus groups are powerful because the solutions are agreed upon, not imposed. One of my customers commented, “Oh, I get it. You want me to treat my employees with the same dignity and respect that I treat my customers.” My answer, “Yes, precisely.”

The Horsepower Survey™ Measures the Emotional Paycheck, or How Rewarded Your Employee Feel at Work

It should be pretty obvious that human beings seek rewarding experiences and avoid painful ones. Rewarding experiences add to our emotional paycheck and enhance productivity and painful experiences subtract from our paycheck and reduce productivity. This is the simple basis of The Horsepower Survey. It measures whether or not employees are experiencing the five productive pleasures that nature built into our brains to drive human achievement. The final question on the survey asks employees how rewarded they feel overall if they add up all of their positive experiences and then deduct their negative ones. This question is used to calculate overall organizational horsepower.



“I’ll show you how to press the five motivational hot buttons that drive high performance.”

Here is my big claim: This is not just a good way to engage employees and improve productivity, it’s the best way because it aligns harmoniously with the motivational engine. The goal is to create the ultimate workplace that is optimally rewarding for employees and optimally productive for shareholders. I will help you hit a high-productivity sweet-spot where everybody prospers: employees, managers, customers and shareholders. If everybody didn’t benefit, the system wouldn’t work because the losers would refuse to cooperate.

If this system sound appealing, please give me a call to discuss your situation.

Paul Herr

Author of “*Primal Management: Unraveling the Secrets of Human Nature to Drive High Performance*,” and inventor of The Horsepower System™
608-833-9446