



Honoring Employees in a Poor Economy –  
Handling Promotions and Raises  
By Daniel Leidl, PhD

“I think I’m worth more money,” one of your most productive employees says after a Friday briefing. You don’t answer, but hear her out. “I’m covering another person’s job since the layoffs, I’m working from home evenings and weekends, and I’m here between 7 and 8 am every day. . .” You nod your head. “I’m getting burned out, and I’m worried that I need an incentive to keep pushing.” You tell her that you’ve heard her, you recognize how hard she’s working, and that you’ll need some time to think about things. You ask if you can meet again after the weekend, at which time you can discuss some options.

Over the weekend you’re distracted, concerned that you’re not going to be able to help one of your most valued up-and-comers. She’s overworked and underpaid, but a solution is not coming easy. Little does she know that you’ve been working to avoid more layoffs, and raises are not an option. On the other hand, she’s been doing the work of too many people for too long, and deserves to be recognized. What do you do?

While eyebrows may raise, money is not the only thing people work for. It is often mistaken as the only incentive of value in the work place, but supervisors have much more to offer than raises, bonuses, and other monetary enticements. In fact, as counterintuitive as it may seem, financial and material rewards may prove less motivating in time than promoting a positive link between an employee and his/her job. Continually advancing good feelings, pride, and a sense of valued achievement among staff-members may prove more beneficial than raises or title-advancements.

Returning to the office on Monday, you call your star performer into your office, and start out by being honest. You invite her into your world of decision-making and respectfully ask her opinion. You state that, “I value your insight, and trust that you will honor this information as sensitive. The last round of layoffs was very difficult for me, and I don’t want to consider losing more people as an option. With that said, we’re losing money, and I’d like to hear your thoughts as to how we can help you to feel better about your situation. You’re a valuable member of this team, and I’m willing to do whatever I can to help you through this.”

By inviting employees to share in the decision making, you’ve advanced the personal relationship while also empowering them with a voice. Some fear that such an attempt is suggestive of being weak or wishy-washy, but quite the opposite, you’re not only demonstrating to the employee that decision-making can be difficult, you’re also displaying your confidence in others while suggesting that you’re a strong enough leader to thoughtfully weigh the opinions of those around you.



You listen to your employee's insights, and take note of the fact that she reiterates her frustrations with being overworked and having too little personal time. You say that your resolution can be implemented on a trial basis and should be revisited in a few weeks, stating, "I'd like to be able to take some work off your plate, but my concern is that since the layoffs everyone has taken on extra duties. I do think that there is opportunity to delegate more to your staff, but I also want to help relieve your burnout. I'd like to offer you an extra day off a month. We can discuss how it's best used, but if you need to take two half days or one full day, we'll work it out. Also, when you decide to take your extra day, let me know what you're working on and I'll see how I can help you so that you're not thinking about it during your free time."

You don't have money to throw at the problem, so you try to work it out through discussion and creative strategies. Perhaps this person-centered approach will pay more dividends down the road than if you simply offered a raise. For right now, your employee looks at you and says, "That's more than I thought I'd get. I appreciate your time, and the effort you're making to help. I'll think about ways to use my staff more efficiently and thank you for the extra day off. It's a kind gesture."