

FAST COMPANY



BONUSES AREN'T JUST FOR THE BOSSES

BRAD HILL IS TEACHING RANK-AND-FILE WORKERS IN TOUGH JOBS HOW TO DEVISE INCENTIVE PLANS. IN THE PROCESS, THEY'RE BEING REWARDED WITH THINGS THAT MONEY CAN'T BUY—MORE DIGNITY AND A GREATER SENSE OF PURPOSE. BY REKHA BALU

IN A PORK-PROCESSING PLANT IN MILAN, MISSOURI, amid the hog carcasses and pig fat, workers who operate fast-moving disassembly lines are assembling a new approach to compensation and motivation. The 900 people who work at Premium Standard Farms, many of whom are paid \$10 an hour to perform some pretty old-fashioned jobs—slaughtering, slicing, and cleaning—are working in some pretty

new ways. They have instituted changes that are saving their company tens of thousands of dollars a month. They have improved employee-retention rates by more than half (in an industry where 200% annual turnover is common). And they are being rewarded for their efforts through an incentive program that is yielding substantial payouts.

Performance bonuses are standard in the

executive suite, of course—where there's often more pay than performance. What's noteworthy about Premium Standard's program is that hourly workers are the ones designing and implementing it. In the process, they are giving themselves things that money can't buy: more dignity and a greater sense of purpose.

How were the meat processors at Premium Standard able to change the game on the production line? A key figure in the program was Brad Hill, 42, who was brought in by the plant in 1997. Hill started his career as an executive-rewards consultant 15 years ago, creating stock-option incentive plans for big companies. But after 8 years of what he calls "helping the rich get richer," Hill began to focus primarily on hourly workers. Since then, his clients have included people who pack meat, pour iron, and care for the elderly. For the past 3 years, Hill has been a senior consultant at the ultra-establishment Hay Group, in Chicago.

Hill wants to do more than help workers change how they get paid. He wants to change their attitudes about what they do for a living. His passion stems, in part, from the experiences of his grandfather, who had a nervous breakdown after concluding that he "would never be anything but a goddamned coal miner," Hill says. He explains that his grandfather never really had "a sense of purpose, a sense that his work, and his life, were worth something. There are so many people who, like my grandfather, are not getting the respect they deserve."

But Hill is not a touchy-feely employee-satisfaction wimp. He teaches rank-and-file workers how to create gain-sharing programs that add to their company's bottom line—

