13

Ways To Get Reward and Recognition Right

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Introduction

Employees want to be recognized for their great work—and rewarded for it, too! Recognition and rewards confirm to employees their work is valued. And when employees feel valued, they are happier at their jobs and are more productive, which motivates them to keep doing—and improving upon—that good work.

Seventy-eight percent of employees say that recognition is a major motivator for them. In addition, 76 percent of employees who are recognized regularly say they love their jobs, while only 37 percent who aren't being recognized say they do.

Creating a reward and recognition program is a great place to put your time and resources because of the potential it has to elevate your employees and your company. Reward and recognition programs can be a huge step in acting more strategically and bringing great value to your entire company by inspiring engaged and motivated employees.

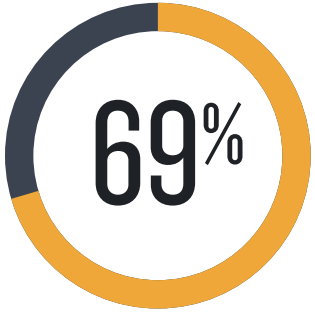
How is reward & recognition strategic?

Whether you're an executive, in management, or on the HR team, you have a lot of responsibilities. But deep down, you care most about having a strategic impact on your company's long-term business goals and outcomes. You want to add the most business value to your company, so let's start there.

Your people are vital to the success of your company. And as you've undoubtedly heard before, people are a company's greatest asset. Here are three ways strategic reward and recognition impact your company's "big picture":

Engagement

Recognition is a proven engagement tool. When people feel like they're an integral part of your company and that their work has meaning, they'll do whatever it takes to do great work. Give them that boost by showing they are valuable to the company with recognition or rewarding them when you see them doing great work. In a Global Workforce study, companies with more engaged employees had a 19 percent increase in operating income and 28 percent increase in earnings per share over one year.



Sixty-nine percent of employees would work harder if they were better recognized.

—Globoforce

Retention

You need your top talent to stick around, yet 60 percent of companies consider retention their biggest problem. Would you stay at a job where your contributions weren't appreciated? We all want to feel valued. Rewarding an employee with a surprise bonus or even just a spontaneous lunch to say thanks can help employees feel that way.

Nearly half of all employees said they would leave their employer for a company that recognized employees for their contributions.

—Globoforce

Measurable business results

To show your impact and importance to executives, you've got to speak their language. You can do this by having numbers that back up your HR initiatives. That way, when you spend time and money on a particular program—like reward and recognition—you're able to prove it's working. How? For one, you can track and report on retention since you've implemented a program. And higher retention and engagement will boost other numbers—specifically, revenue. Do the reports. Confirm a reward and recognition program is a valuable place to focus so you can show others.

"Organizations that give regular thanks to their employees far outperform those that don't."

—Josh Bersin

Reward and recognize the right way

So how do we create a rewards and recognition program that's just right for your company? When starting to think about implementing a reward and recognition program, consider these 13 tips:

1 IDENTIFY WHAT TO RECOGNIZE

Recognition doesn't start with "who" you want to recognize, but rather "what" you want to recognize. What behaviors and actions are you looking for? What would you love to see employees doing more?

You want rewards to be based on behaviors and actions—rather than titles and departments.

Behaviors lead to results, and results are what really matter. Really think about behaviors. Did Jesse just hit the sales goal? Did marketing just launch a really successful campaign? Did the product team release an innovative new product? Focus on what those behaviors are, and try to make it as fair as possible for each and every employee to get a chance to be recognized or to be eligible for a reward. And focus more on the outcomes: Why are

Start with "what"

you recognizing them? Why was the behavior something you'd like others to follow? Those accomplishments and milestones will ultimately lead to results.

Of course there may be times you want to reward someone who's been a consistent hard worker over a long period—in this case, you're rewarding that consistent behavior—but be sure to share actions within that long-standing commitment that really stood out. Remember, you're trying to incentivize people to do their best work and making it consistent so they continue to do so in the future.

2 MAKE IT TIMELY

Time is one of the most important factors to consider when rewarding and recognizing employees. To get the most out of your efforts, you need to act immediately. Recognize or give a simple reward right when you notice a behavior you'd love to see again. Why wait until tomorrow to motivate your people when you could do it right away?

Immediate recognition gives employees instant feedback to guide them right away. The more time that passes between the performance and the recognition, the lower the impact of that recognition. MIT's reward and recognition program includes an On-The-Spot Award Nomination Form that allows employees to recognize each other for positive behaviors and great work "right in the moment." People need to know right away that their great work is valued.

3 DO IT OFTEN

People want to be recognized often. They crave it. That means you need to be finding ways—even if they're small and unique—to recognize your employees often to reassure them they're heading in the right direction and to keep going.

When you notice something, mention it. What you're recognizing doesn't have to be something huge. It can be everyday good work. It can be something small like helping out another employee or just stepping up when others are in a pinch.

The recognition or reward you offer them doesn't have to be huge either. Just make sure it means something to the recipient and that it's happening often and regularly. Recognizing your employees often is the best way to make sure they continue to feel valued day after day. You never know when they're in particular need of recognition, so keep it coming!

"Most employees want some type of recognition every seven days!"

—Towers Watson

4 MAKE IT GENUINE

Recognition has to be real, genuine, and authentic. It can't be an automated email that's sent to your employees every seven days. If you want it to make an impact, it's got to be done right. It doesn't have to be a plaque or something official; it can be a sincere "thank you."

Have you heard of HP's Golden Banana Award? An employee burst into his manager's office with a solution to a problem they'd been working on for some time. The manager wanted to reward that accomplishment and the only thing within reach was a banana from his own lunch. He promptly awarded it to this employee and congratulated him. Now the Golden Banana Award is one of the biggest honors an innovative employee can receive at HP.

Sometimes the most genuine type of recognition is best even if it's tied to something as silly as a banana rather than a glossed over thank-you that's attached to a check (not that there's anything wrong with a check).

5 PERSONALIZE IT

Consider personalities and characteristics before deciding the best method to use with each employee. Some people are phobic of being in front of large groups. Others are attention-addicts and love the spotlight. It requires a lot of thoughtfulness and understanding to know how to best motivate and inspire each person. You don't have to shift an entire program to accommodate one person, but you can consider each team or individual's unique needs to make sure you're recognizing them effectively.

BambooHR has company updates every six months and chooses one or two employees to recognize and reward at that time. As they grow, they want to recognize and reward people who reflect their company values. Then they learn all they can about that person—what that employee loves to do or a place the employee has dreamed of going. Then the leaders show why that person has done a great job and rewards them with a large gift, like a cruise or a mountain bike or trip to Hawaii. The employees always love it, of course, because it feels good to be recognized and was customized to them.

6 MAKE IT COLLABORATIVE

Collaborative work yields high results. Recognition can be collaborative as well. People who are recognized will see the value in it and can pass praise along to other employees.

Everyone can have an impact; everyone can be a leader. Praise—whether it comes from a leader or a coworker—affects others and can even start a movement. A company's culture will incorporate it and employees will do it out of habit. No one needs to wait for approval to go tell someone they did a great job or to thank them; people can take charge and make it happen.

One part of a great recognition program could be to make a plan for employees to nominate each other for great work. Have them include a reason why they think this coworker is great and what he or she did to be recognized. This gives everyone a chance to participate and feel part of the process. People feel great when they're on both ends of the recognition. Both being nominated and doing the nominating bring feelings of empowerment and happiness. Simply, it shows that the team cares; it's a true illustration of the social environment.

"Research clearly shows [what makes companies thrive today] is recognition by your peers, the people you work with every day."

—Josh Bersin

7 MAKE IT A HABIT

Consistently recognizing others and encouraging them to recognize within your team will not only help leaders make it a habit, but will also inspire others to do it. First, start small. Be mindful of what others are doing to contribute—and thank them. Let them know you notice. Then do it again tomorrow, to a different employee or with a different project. Leaders and employees will automatically start looking for places where they can call someone out on great work.

As changes start happening (hopefully coworkers will jump on board and start recognizing each other after seeing others jump on board), it will happen even more and even jump up a notch. Maybe that means identifying specific achievements or sending out special emails or awards that highlight coworkers who are making a big difference one project at a time.

As with all goals, setbacks will probably happen—times when companies get so busy that employees forget to recognize each other regularly. There will always be other fires to put out. People can't force others to do it, but hopefully everyone will start seeing the value of recognition after they have been

the recipient, enjoy how it feels to be valued by others, and will pass it on to others. Of course, over time, this can become a habit to employees as well. It could become a movement! Continue to put your focus on employee recognition and make an effort day after day, and recognition will ripple throughout your company.

"We are what we repeatedly do. Excellence, therefore, is not an act, but a habit."

—Aristotle

8 BE TRANSPARENT ABOUT IT

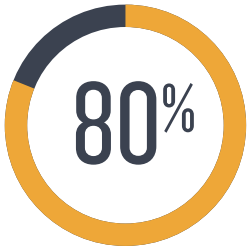
Transparency can enhance recognition tenfold. Recognition motivates those being recognized to do even better work in the future, but it also shows other employees what behaviors and performances are important to the company and worth being recognized.

Don’t hide recognition or companies lose a large part of the impact it can have. Let everyone celebrate in that person’s success and more people will follow in their footsteps. If recognition is hidden behind a closed door, only that one person will be impacted. Recognize so that everyone understands what your company values are so they can impact the company in a similar way.

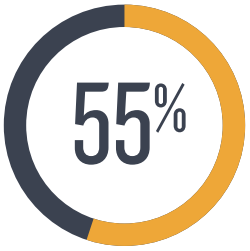
9 BE FAIR

Evaluating people fairly when deciding on the details of recognition is important. Don't always be focusing recognition on the same people. Make sure to look for the hidden heroes whose roles might not be as obvious but who are doing great, quality work. Yes, by all means you should reward your top salesperson or the stand-out rock star, but there are other employees whose everyday work makes a huge impact.

Find people who truly deserve the recognition and make the recognition meaningful! This shows you care about all your employees and helps significantly with retention. According to Globoforce, 80 percent of workers who are appreciated stay with their companies. At the same time, 55 percent of employees would leave their companies for a company that has a formal recognition program. Retention is a great place to measure the effectiveness of your reward and recognition programs.



of workers who are appreciated stay with their companies

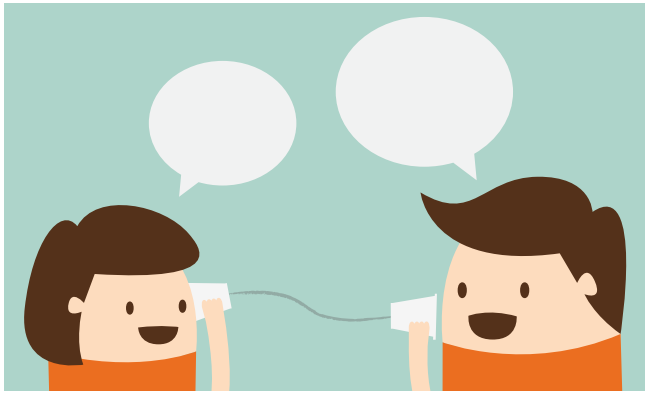


of employees would leave their companies for a company that has a formal recognition program

10 DON'T FORGET YOUR REMOTE WORKFORCE

Your remote employees need recognition as much as your in-office employees do. Just because they're out of sight doesn't mean they should be out of mind. Remote workforces are growing all over the world and they need to be considered when planning a reward and recognition program. Telecommuting has grown 80 percent in recent years and continues to grow. Every one of your employees will benefit from recognition.

That's why incorporating recognition into your culture will extend beyond the office walls to help remote employees feel more a part of the company. You can do this by continuing to recognize remote employees often, giving them team-building experiences, offering rewards that enhance their remote experience like faster equipment or better tools, and giving them an easy way to recognize each other for great work. Using recognition and rewards makes a clear link from a remote worker's role to the overarching company goals.



11 GET CREATIVE

Being creative is one of the most rewarding parts of implementing a reward and recognition program. It's not actually about how much money you spend; it's about having fun and letting people know you care about their contributions. So get creative with it. Find ways you can recognize different groups, departments and divisions, as well as individuals. There are so many ways to do this.

When giving rewards to an individual, do the research and find out what will be the most meaningful. If the person you want to recognize loves the theatre or a certain sports team, reward him or her with tickets to an upcoming event. If your employee has always dreamed of visiting a certain tropical island, you can even surprise him or her with a free vacation (if the budget allows, of course). Find out what makes a team tick if you're rewarding a team—like a air-popcorn machine or fund a company basketball team. It can be any number of things when unique individuals and groups are involved.

12 KEEP RECOGNITION AND CRITICISM SEPARATE

The goal of recognition is to make your people feel valued. So even though feedback can be helpful—and necessary—you shouldn't lump recognition in with criticism. Many people have had a meeting with a smiling boss who says they're doing great and then proceeds to spend the rest of the meeting criticizing them for something they'd done or aren't doing correctly. This makes the positive feedback feel absolutely meaningless.

If you lump together the good and the bad, employees will feel that you don't really value the good performance and all the focus will be on what they need to do better. And really, all they'll hear is the "but you should do this better in the future." Make sure you set aside a separate time (and definitely a less public place) to tackle what can still be improved to guide in the right direction. But when it's time to recognize, go ahead and put it on center stage.

13 REWARD THE RIGHT THINGS

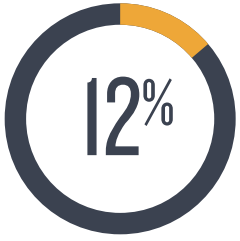
Reward and recognition should align with your company's mission and values. Be careful what you're rewarding and where the focus is.

Sometimes companies reward employees by handing out gifts to those who stay at the office and work the longest hours. Other companies provide free meals and ping pong tables in an effort to keep people working into the night. Just because people are at the office, it doesn't necessarily mean they're productive. BambooHR believes that people can get more done in eight hours by staying intensely focused than a lot of people can get done in thirteen.

Make sure your rewards align with your mission, vision, goals, and values. If you don't know exactly what those are, that's a great place to start. Then you know to reward and recognize the right things. You don't want to send people in the wrong direction. So really think about it: Do the behaviors you reward and recognize support your mission?

So why aren't companies doing it?

When employees feel valued, they are happier at their jobs and more productive, which motivates them to keep doing—and improving upon—great work. Yet only 12 percent of employees say they often receive appreciation for great performance. You're missing out on an opportunity to engage and motivate your people right away. So why wait?



of employees say they often receive appreciation for great perfomance

It's time to get started

One quick way to get started is to ask yourself, "What's going to have the biggest impact that can be done today and is easy to implement?" Start by saying, "thank you" and "great job." You'll be surprised how quickly it catches on. Once that's begun, then ask yourself, "What is the next step?" This process will guide you to continue working on your reward and recognition program and to continue growing and improving.

You can make a huge strategic impact by personalizing rewards and recognition to the employee and being more creative with it. Remember to focus recognition on the right behaviors that support your company's culture. Make it collaborative and fun and timely. You can do it as big or small as you like, but it has to make sense for you and your company. Your program will evolve and improve, just as your people will. Many times, this type of program becomes so embedded into the culture that once you get things started and get others on board, it will take on a life of its own. When the standard is built into the culture, you need only guide it and the rest will fall into place. That's strategic HR at its finest. You'll elevate your own position while having the satisfaction of seeing your employees elevated in their own roles. It's a great way HR can add strategic value to your company.

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