



What's in a Thank You?

RECOGNITION, REWARDS, AND THE POWER OF AUTHENTICITY

WeSpire



READ ON TO LEARN

- >> The power of appreciating the special characteristics of your workforce
- >> How to build your own successful Recognition system
- >> Best practices for communicating & boosting excitement in your office & throughout your organization

You hear a lot about the changing workplace, and in this report we'll take a close look at changes relating to Recognition and Rewards.

Gallup's 32% employee disengagement stat (give or take a digit or two every year) irks every HR professional and CEO.

Another study by Gallup of more than eighty thousand employees found that 82% of employees surveyed said Recognition motivates them to improve their job performance.¹

Gallup found that one of the top twelve key factors to secure employee engagement is regular praise and recognition from managers.

“We estimate that the recognition market is over \$45 billion in size and is mostly focused on rewarding *tenure*” —\$45 billion targeted at how long you’ve been working here, oddly; and not focused on your *performance and accomplishments*.

Josh Bersin
Deloitte

EXAMPLE: *Gusto takes employees on workations, or fun trips where hikes and cooking projects are interspersed with business projections and goal setting. “Today, companies not generally given to embracing start-up corporate culture are finding retreats to be an effective way to accomplish seemingly conflicting goals: Getting people to relax and to work harder.”*

Think about it: the pink Cadillacs, gold watches, celebratory steakhouse dinners, and President’s Club golf outings historically associated with the conventional corporate world appealed to strict segments of the workforce — cosmetics sales ladies who enjoy driving; pre-tech, analog-centric executives; carnivores; and golfers. Not that there’s anything wrong with self-driven automotive transport or steak tips; but they’re not necessarily everyone’s top choice these days. In fact, many employees would like to celebrate success together, and not via a piece of jewelry.

An intriguing body of research from Josh Bersin’s team at Deloitte finds that the Rewards and Recognition realm is ripe for positive disruption:

“It turns out that the employee recognition industry is old and largely dominated by companies that sell gifts, rewards, and incentive programs. We estimate that the recognition market is over \$45 billion in size and is mostly focused on rewarding tenure”—\$45 billion targeted at how long you’ve been working here, oddly; and not focused on your performance and accomplishments. “Our research found that these programs drive very little value at all,” Bersin says, “and in fact only 58% of the employees we surveyed even know that their company has such a program.”²

“Incentives are being opened up,” Starwood’s Global Sales VP told The New York Times recently: “The incentive business has morphed now to be about community.”³

Fun Fact: Starwood Hotels reports a 12% annual increase in corporate reward and incentive travel, including retreats.⁴

Managers discern real value when they go through the steps to strip redundant or outdated layers from their **Recognition & Rewards programs**. They’re inventing programs to delight and surprise employees and stay true to the brand, as Mary Kay’s pink Cadillacs did for decades and still do, for a certain slice of the working population.⁵

BERSIN'S FOUR BEST PRACTICES TO DRIVE A "RECOGNITION-RICH CULTURE"

1 Create a strong peer-to-peer Recognition program.

Make it easy for colleagues to nominate deserving peers, instead of always relying on a top-down boss-heavy approach.

EXAMPLE: WeSpire's own company Recognition program is inclusive by design. All team members are invited to nominate a colleague who exemplifies the company's Mission, Vision, and Values in some outstanding way. Every month, the winner receives a desk mascot, \$200 to share with the team or donate to the non-profit of their choice, and they have a special lunch with the CEO and another colleague they'd like to invite.

MISSION

INSPIRE PEOPLE TO CREATE A BETTER WORKING WORLD

VISION
Create the world-changing platform that every company uses to help people achieve purpose and positive impact through work.

VALUES

- PUT PEOPLE FIRST
- BE GUTSY AND DATA-DRIVEN
- HONESTY WINS
- RELATIONSHIPS MATTER
- TRY HARD AND FAIL FAST
- WE ALL NEED HELP: ASK FOR IT
- MAINTAIN PERSPECTIVE AND KEEP A SENSE OF HUMOR

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2 Focus recognition on corporate goals and behaviors.

Tie your program to your company's special values, and this way map the unique assets of your corporate culture to the honored individual or team.

EXAMPLE: In order to support WeSpire's company Vision, once a month we feature a WeSpire teammate on the company blog.

Bonus: the interview subject is then invited to propose next month's employee Q&A!

3 Story-telling.

Think of your recognition statement like a wedding toast: engaging, sincere, respectful, and with a dash of humor.

EXAMPLE RECOGNITION SPEECH STRUCTURE:

1. *Why it's important to your business to recognize employees*
2. *How the winner was selected*
3. *What this winner specifically did to win the award*
Tip: include personal characteristics as well as professional achievements
4. *Announce the winner's name and give that person time to take in the cheers and applause of their colleagues*

4 Give recognition frequently and openly.

Don't always wait for the official quarterly off-site. Just ring the bell and say "thanks" for a job well done!



Mike Greenfield was recognized by Stuart Weigensberg

January 29 at 11:49am

First one to arrive, last one to leave, great attitude, always willing to do the extras.

Like · Comment · Recognize Someone

♥ Matt Stanton likes this.



Mike Greenfield

Thanks @Stu. I really appreciate it. A lot of people here have been putting in some amazing effort as of late.

January 29 at 12:01pm · Like



Write a comment...

Recognition and Rewards: What's the Difference?

RECOGNITION is relational, it is something that can be experienced, personalized, and is based on achievements.

REWARDS are transactional, tangible, and given based on outcome or performance. Rewards tend to be more conditional. Rewards tend to be about money. (In fact, many Rewards tend to be money.)

REWARDS AND RECOGNITION: TO LINK OR NOT TO LINK?

Experts advise that Recognition and Rewards are most effective when they are **not linked**. Why? When linked, you essentially assign a currency value to a person's accomplishment. However, this can miss the mark, because most people say they are motivated by much more than money alone.

A study conducted by Net Impact and the Heldrich Center for Workforce Development showed that 58% of respondents would take a pay cut in order to work for an organization that shared their values.⁶

Talent coach Meghan Biro puts it this way:

"In many organizations, recognition and financial reward are joined at the hip. An employee does something above and beyond and receives a gift card or a lunch with the boss; a team achieves a goal and is rewarded with a party. These rewards, however, can backfire; they tell the employee that he or she is worth *n* dollars to the organization for some level of effort."⁷

We say it's fine to use a financial prize to recognize an outstanding employee, but beware of the mercenary overtaking the genuine celebration! Challenge yourselves to a more creative—and brand-appropriate—reward that's tied into company goals. One WeSpire customer launched an eco-commuting program and offered a spiffy new fold-up bike to the winning employee. "At Groupon, no work anniversary (or Grouponiversary, as they call it) goes unnoticed. This milestone is recognized with a top-of-the-line, bright green Adidas track jacket. Employees can even personalize their jacket with unique nicknames — 'GroupMom' and 'Garvitron.'"⁸

Another important factor to recognize when building a Recognition program: the subtleties of your audience.

GENERATION GAPS PLAY A ROLE

With three (and arguably, four) generations working full-time, and rich cultural diversities also in play, managers must be sensitive to various preferences. Including—and especially—**timing**.⁹

1. Millennials say they currently receive Recognition on a monthly basis. They'd prefer to know how they're doing more often: weekly, daily, or even (gasp) morning and afternoon.
2. Employees ages 30-69 also prefer a monthly or weekly response schedule.
3. Interestingly, 11-24% of employees of all ages say they never receive Recognition (and 5-14% prefer this!).

PREFERENCES ON FEEDBACK & REWARDS	
<p>TRADITIONALISTS 1922-1945</p> <ul style="list-style-type: none"> • Enjoy private recognition for themselves & their team • No news equals good news • Straight forward & tactful communication style (prefer feedback in same manner) 	<p>BABY BOOMERS 1946-1964</p> <ul style="list-style-type: none"> • Enjoy public recognition • Want feedback more often & will actively seek it out, want to continue to grow • Like praise & title recognition
<p>GENERATION X 1965-1980</p> <ul style="list-style-type: none"> • Feedback is best when given in line with company mission • Competitive mindset, want recognition from their boss • Enjoy rewards like time off & promotions 	<p>MILLENNIALS 1981-2000</p> <ul style="list-style-type: none"> • Feedback has become an everyday norm • Want to ensure they add value to the organization • Prefer educational rewards like travel, training, and outings

KEY TAKE-AWAYS



Thank You is a priceless motivator, start with **a simple, sincere thank you.**



When it comes to rewards, having a **peer-driven program** is key.



You don't have to be in a formal situation to recognize your employees: do it in a 1-1, a team meeting, or in a company-wide setting. There's no wrong answer.



Know your audience. Have a solid understanding of who's within your workforce to better understand how they prefer to be rewarded and recognized.

About WeSpire

WeSpire is the employee engagement platform that empowers forward-thinking global organizations to reach their greatest potential. With the only configurable library consisting of hundreds of action-based programs backed by applied behavioral science, WeSpire enables individuals and entire organizations to drive measurable, positive impact.

Many of the world's most successful companies rely on WeSpire every day to tap the potential of their workforce.

Inspiring people. Transforming business.™

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