RewardGateway
the employee engagement people

Your Guide to Choosing a Reward and Recognition Solution

Seven steps to navigate the maze of R&R to create an amazing experience for your people and business

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Introduction

Hi there,

Employee reward and recognition (or, as we like to say, *recognition* and reward) has received a lot of attention in the last decade. Companies around the world are spending a collective $46 billion on recognition and reward programs. But despite this increase in attention and spend over the last few decades, so many businesses are yet to experience an ROI from their R&R programs. But where are the dollars going, and why isn't it working?

Bersin & Deloitte's global study of recognition and reward found one of the main issues with the way companies have traditionally approached this is with a focus on reward, not recognition. Not only that, but most of a company's reward budget goes to token gifts to thank people for their tenure, which may be rewarding stayers rather than employees who are your ambassadors and driving your mission forward.

It's become clear that reward programs – as many of us know and experience them – may not be aligned to today's workforce expectations.

As the saying goes, the devil is in the details. And knowing which details to pay attention to will ensure success in your quest for a winning recognition and reward solution. In this eBook, we'll outline seven must-haves for a winning recognition and reward solution, designed to support you to drive positive cultural change, based on our experiences with more than 1,800 clients.

As you narrow down the search for your ultimate R&R solution, we hope this will act as a guide for you.

Here's to better recognition,

Kylie Green
Global SVP of Consultancy
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The Importance of Recognition and Reward

Here's a statistic worth knowing: Nearly half of your employees might walk out the door tomorrow for one seemingly simple reason. Do you know what that is?

It comes down to whether or not a company thanks or praises them enough.

Organizations are losing their people because they're failing at recognition. And it's worth it to fix.

We've learned that in a recent survey of hundreds of HR professionals, employees and managers across the U.S., UK and Australia, more than 90% agree that having an effective recognition and reward program has a positive effect on retention, while nearly the same amount agree that recognition drives business results.

But – and here's the most important part – it's only when recognition is done *right* that it has the impact that HR professionals (and employees!) are craving. Here are a few other things our research has uncovered:

Almost **half of employees** surveyed feel their managers unfairly reward certain people over others.	Only **26% of managers strongly agreed** that their company praises or thanks employees for the good work they do based on their company's values, and almost a third agreed that they struggle to find the time to give out thanks and praise.	Over **seven in 10** employees want their employers to do more to motivate them.	The **top reasons for employees feeling demotivated** are: feeling invisible or undervalued (43%), having a bad manager (43%) and lack of recognition (40%).

And if you're a part of the 80% of HR professionals surveyed who plan on investing in recognition within the next year, you may be wondering where to invest your time, energy and budget.

Let's dive in.

Building your Recognition Framework
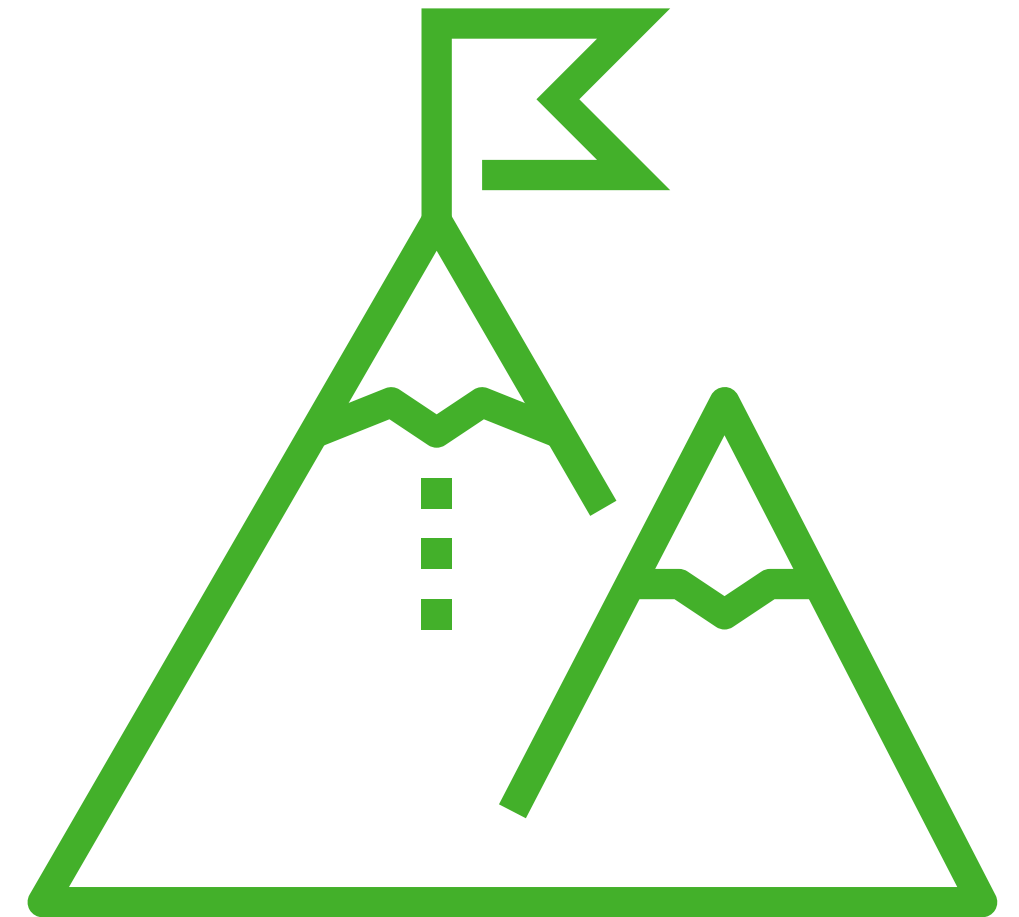
It's worth noting now that's there's no one-size-fits all when it comes to recognition and reward.

"Traditional" recognition and reward focuses on "service" or "tenure" recognition or annual awards. While service awards can be well received, the issue with these *alone* is it gives little to no opportunity for people to be recognized in the moment. And the average tenure of an employee is less than four years — how many stay long enough to get that shiny, gold watch?

What we've found is that most people want to be recognized in **more than one way**. That means a balance, not only in *how* you let your people recognize, but also *who* recognizes and what that recognition (or reward) actually looks like.

That's why one of the first things I recommend is exploring what your **ideal** reward and recognition program design or framework could look like and selecting a solution that provides the tools to execute this.

A great place to start is with what we call the Recognition Pyramid, where there are different layers depending on the size of your business and your business's unique goals.
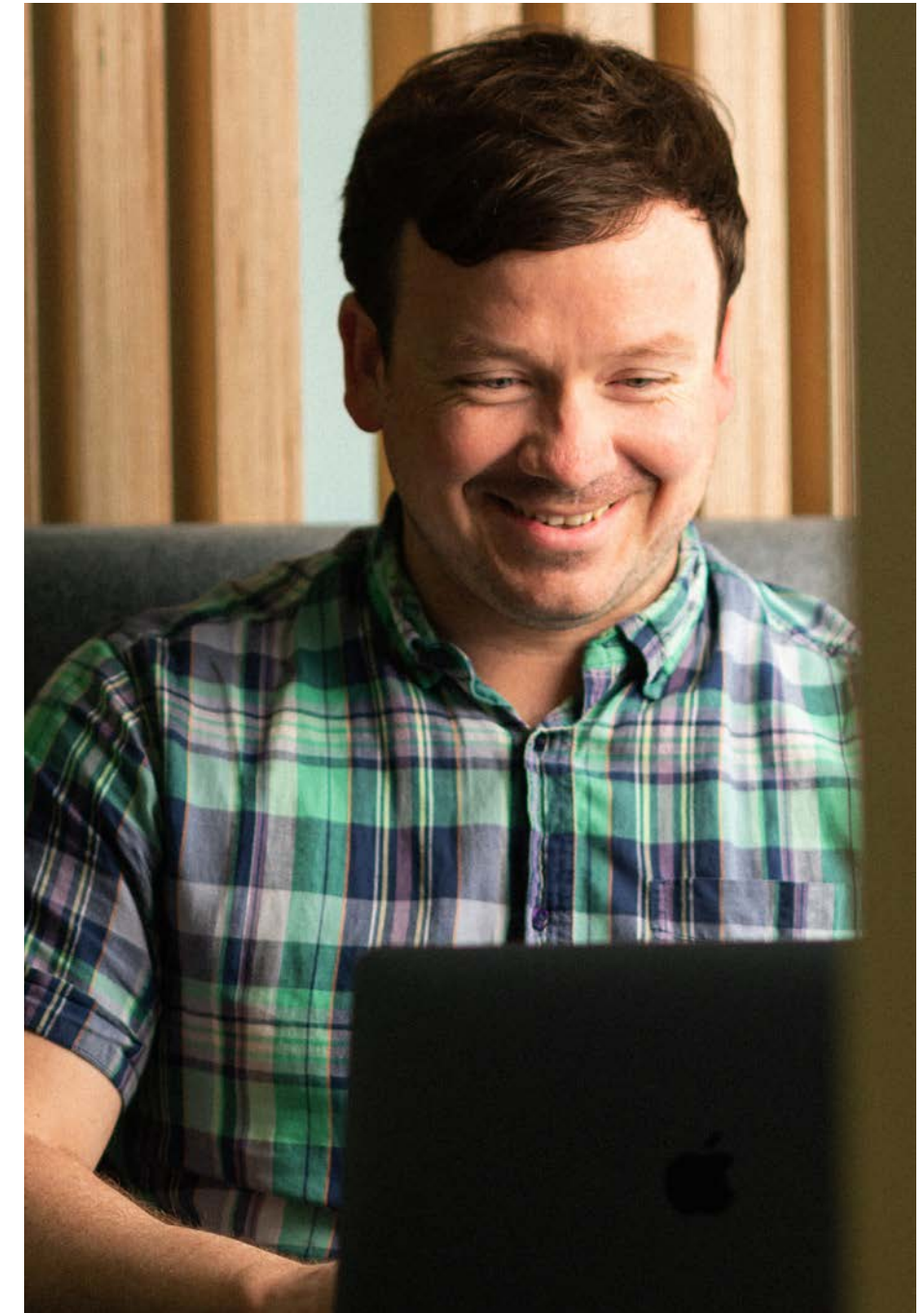
We use the recognition pyramid to incorporate all the essential elements of a great recognition program, into each company's own unique program. Every business will have a different strategy, mechanism and way of communicating each tier – it's all about creating your perfect recognition pyramid. The reason it is a pyramid shape is that as you go up the pyramid, the effort and impact increases, which means less employees are recognized.

A look inside the pyramid:

Celebrations or Game Changers are big-deal recognition moments, like special awards that are aspirational. Tenure awards also sit at the top of the pyramid.

Nomination Programs with set criteria where people can nominate great contributions.

Manager-led recognition and reward, which empowers managers to recognize the move from good to great.

Peer to Peer is often at the base of the pyramid. These are your everyday thank yous that touch the most amount of people in your business.

The layers of an R&R pyramid

"Failing to embrace continuous recognition, where you recognize in the moment, means you miss the opportunity to motivate your employees and provide visibility of and reinforce good behavior."

Six questions to narrow down your R&R program strategy

Knowing the answers to key questions can help you build the right recognition pyramid for your organization. Here are some to get you started:

- What is the right mix of reward and recognition?

- How much should be peer-to-peer versus manager-to-employee?

- What do we want to recognize? Values, performance, tenure?

- How do you recognize your people for the good things they do every day, in addition to bigger milestones?

- How will you make recognition and reward clear and consistent across your business?

- How will you gain high levels of adoption for your recognition solution and engage all elements of your workforce (including those deskless or remote)?

Step One: Make R&R Easy

Choose programs that are simple to put in place

First of all, recognition and reward must be easy for your people to understand, and for your business to put in place. Whether you have a dozen members on your People Team or you're a team of one, the right solution will minimize time spent on clunky, manual processes that often precede implementation of a technological solution.

Consider:

| Method	Cons
Paper-based recognition awards	Lost easily, no accountability for analytics, lacking visual appeal
Nominating through spreadsheets	Time-consuming, room for human error
Stockroom of swag to choose from	Costly, not easy to maintain, no inventory system, limited choice
Rewards catalog	Not visible to others in the business, limited choice, doesn't have the latest or just-released models

The Reward Gateway recognition and reward solution embraces digital technology to make recognition easy and seamless for both your people *and* your business. Consider instead:

Method	Details
Award nominations	A digital form that can be filled out by anyone, at any time to keep an always-on approach to quarterly or annual awards. Once approved, awards are delivered instantly and securely to the recipient.
Instant manager awards	Managers or approved users can recognize great behavior with a reward that can be redeemed at hundreds of retailers, instantly, along with a public or private note.
Peer-to-peer recognition	Tailored, customized eCards for non-monetary recognition that can be sent to anyone, at anytime.
Social recognition	Employees can interact with a social feed of real-time recognition moments with comments, reactions and tagging to extend the moment of recognition.

Let's talk about a few other pieces of the R&R puzzle...

Step Two:
Make R&R Immediate

Find tools to recognize and reward in the moment
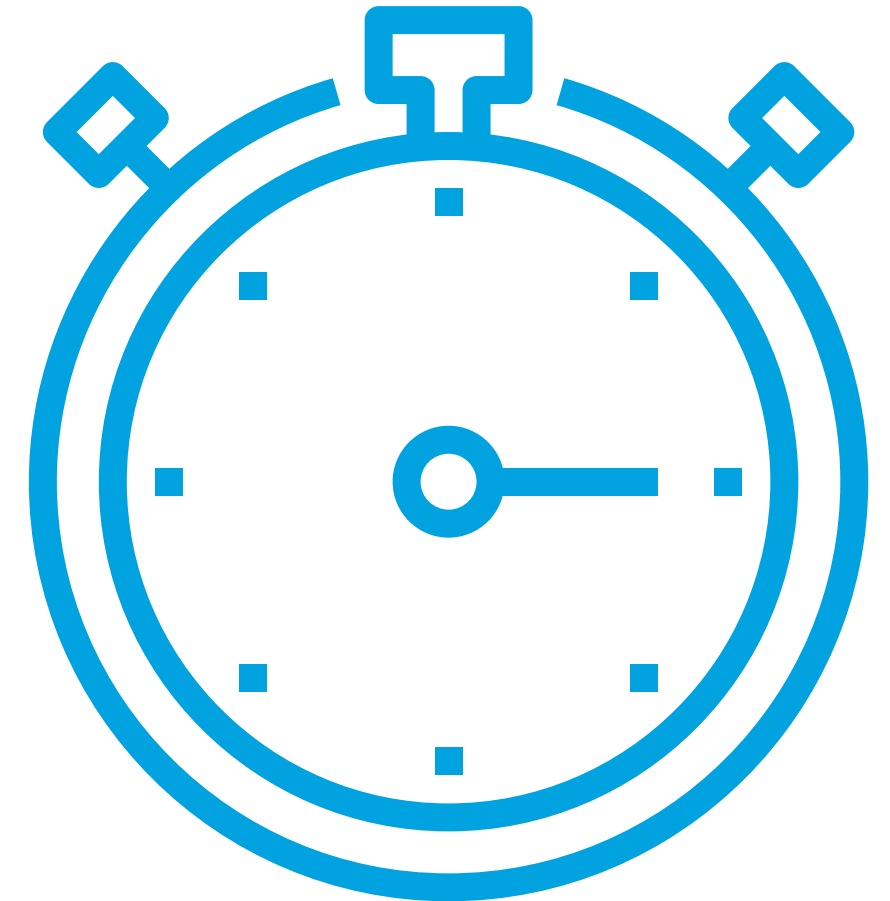
Today, many people expect instant gratification. Gallup research shows that employees want to be recognized for their contribution every seven days. This is partly fueled by our lifestyle and modern technology – our devices are always on and can give us everything from the latest stock market update or movie to a week's worth of groceries in just a few clicks. We are a generation of workers who want what we want *right* now.

And the same goes for being recognized. If it doesn't happen in the moment, it's often forgotten, ignored, or worse, misinterpreted. Failing to provide recognition in the moment means you miss the opportunity to motivate your employees and provide visibility of and reinforce good behavior.

That reinforcement part is key – when you see your employees doing something amazing, calling attention to it through moments of recognition communicates to the rest of the business that that employee is doing something great.

And the behaviors we recognize are things people are likely to repeat.

> In other words, recognition sets the bar for what "good," "great" and "exceptional" looks like in your company. If you only give that message a few times a year, you are missing literally thousands of opportunities to reinforce or improve behaviors and drive positive cultural change.

Empowering employees with the tools to recognize each other freely (including employees who may be in a different location) increases your chances of building a culture of recognition – it should be the foundational element to your program, something that's open to everyone and anyone.
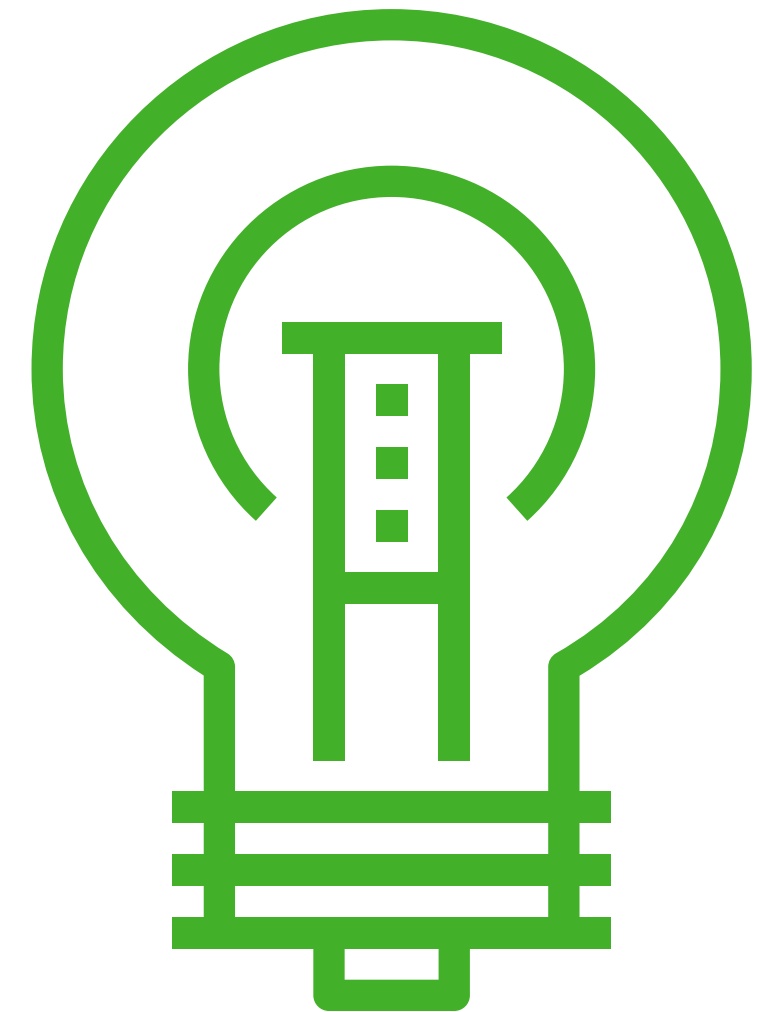
Peer-to-peer recognition

Best practice recognition is multi-directional, continuous, immediate and frequent. Let employees recognize each other any time, at any place, through non-monetary peer-to-peer recognition, like eCards.

Step Three: Put a Spotlight on R&R

Put in place a visible and consistent system

"A lack of visibility of who is recognized and rewarded across your business leads to double standards, and that can't be good for your culture."

Recognizing and rewarding employees under a veil of secrecy just doesn't make sense anymore. Making recognition visible not only shows your business is genuinely committed to open and honest communication, it also amplifies the achievement and makes your people responsible for telling the good stories that create the folklore and culture of your company.

Shining a spotlight on recognition by making it public makes it clear why that person was being recognized over another, and how others can be recognized by performing similar actions.

Social recognition

Amplifies moment of recognition to make the moment last, connecting employees through interactions and conversation. It can help connect geographically-dispersed workforces, engaging employees and connecting them to a greater purpose or mission regardless of location.

The link between recognition and open and honest communication

When recognition is done behind closed doors, people wonder why — or if — it even happened. There can be a feeling of favoritism, with the same people getting recognition over and over.

It highlights what great looks like in practice in your business, and inspires others, creating positive cultural change.

Publishing recognition also amplifies the achievement – whether that's through a comment on your recognition platform or in a team meeting, or even casual conversation in the hallway.

## Putting values at the heart of your program to drive results

When the rules and rewards of your program are inconsistent or simply not communicated well, what you end up with is a program that creates distrust and separation instead of unity and collaboration.

If people are recognizing each other for anything and everything and there's no meaningful criteria to measure what "good" looks like, you risk reinforcing the wrong behaviors.

Step Four:
Make R&R Meaningful and Exciting

Give employees an amazing reward experience
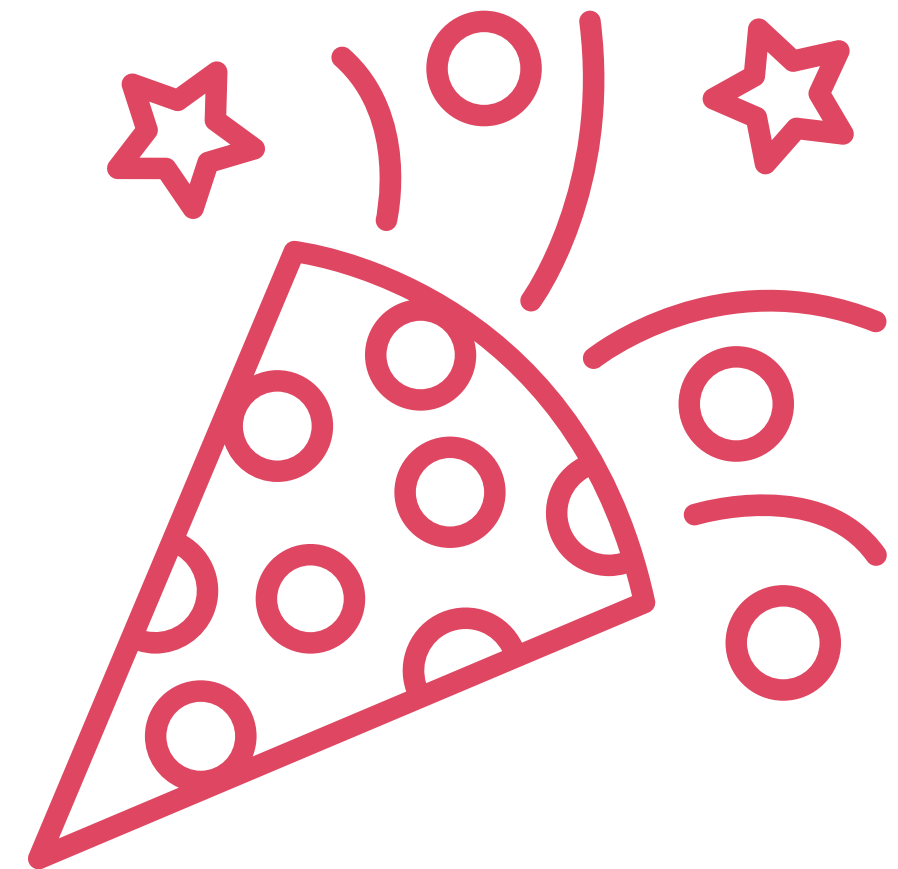
When rewards are impersonal, they can sometimes make the recipient feel worse than if they'd received nothing at all. Consider the plaque collecting dust in your home office with the employee's name or title misspelled, or the token trinket your employee receives that gets lost in desk clutter. Or worse, the night out to an expensive steakhouse… for your vegan employee. Why bother?

A poor reward experience can take away the shine of recognition and leave employees frustrated.

Sometimes this comes in the form of points-based systems where the balance doesn't translate into a worthwhile reward value, or the rewards available aren't suitable for your employee demographic, or the item you did choose gets delayed or lost in the mail – the list goes on.

This frustration usually comes to light when you find someone "gaming" the system – maybe you have a point-based reward program and people on one team are just sending awards for anything so they can get to the top of the leaderboard. Or whenever you remind people at a company town hall meeting to nominate for Employee of the Month, people roll their eyes because the award doesn't mean anything anymore.

We've all heard the stories.

Instead, make sure that you're offering meaningful, personal rewards that give your employees choice so they can use their reward toward something they'll actually use.

Choice of Reward

Through the Reward Gateway solution, employees can redeem their reward on the spot towards a selection of hundreds of retailers like Macy's, Starbucks and more. Your people can choose from saving on travel, fashion, entertainment and dozens of other categories to make sure they pick something they truly want.
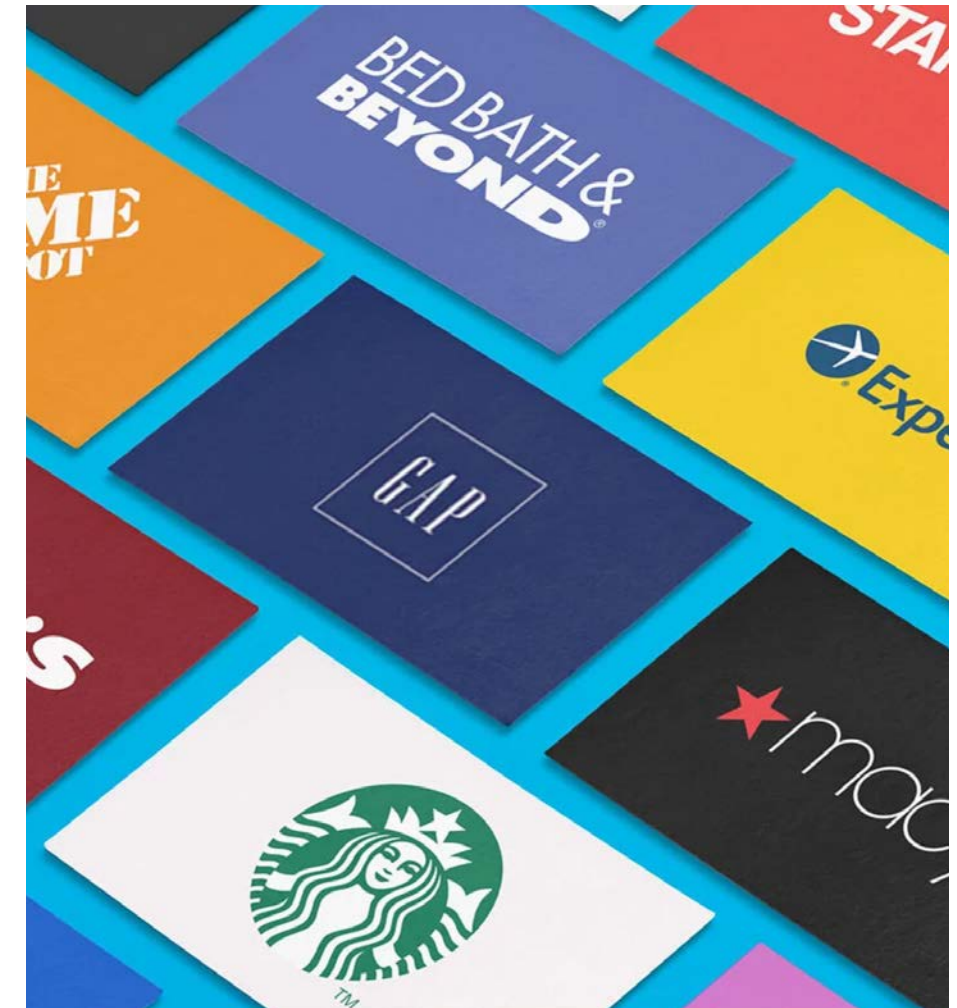
Reward Transparency is a hot topic for People Leaders managing reward budgets. There are a few stakeholders in this, including employees, leaders and program administrators. It can be a struggle to choose a reward solution that helps satisfy all these audiences!

| Employees say...	Leaders say...	Program administrators say...
• Reward points seem exciting until I go to redeem them and find my 10,000 points gets me a toaster! • Rewards provided are not relevant or personalized to my needs. I want choice. • I don't want to wait for my rewards, why can't I redeem this right away?! • Reward values are heavily eroded by points conversions, delivery fees.	• I don't have visibility of my reward budget. • How do I know what "Jane" would value? • I don't have time to go out and purchase a reward for my team. • I just bought Jane a $100 reward and it cost me $140!?!	• I don't want to be locked into a minimum reward spend. • I am losing money on breakage. Unused rewards are costing me a fortune! • Administration and processing fees are eroding my program value. • I don't have visibility of my reward budget.

Full reward transparency

Through Reward Gateway, you'll have one annual technology fee, with rewards provided at full face value — no processing, admin or other fees — and no minimum spend. Plus, unredeemed budget can get returned to you, giving you full control of your budget.

Step Five: Make R&R Uniquely Yours

Create an experience that enhances your employer brand
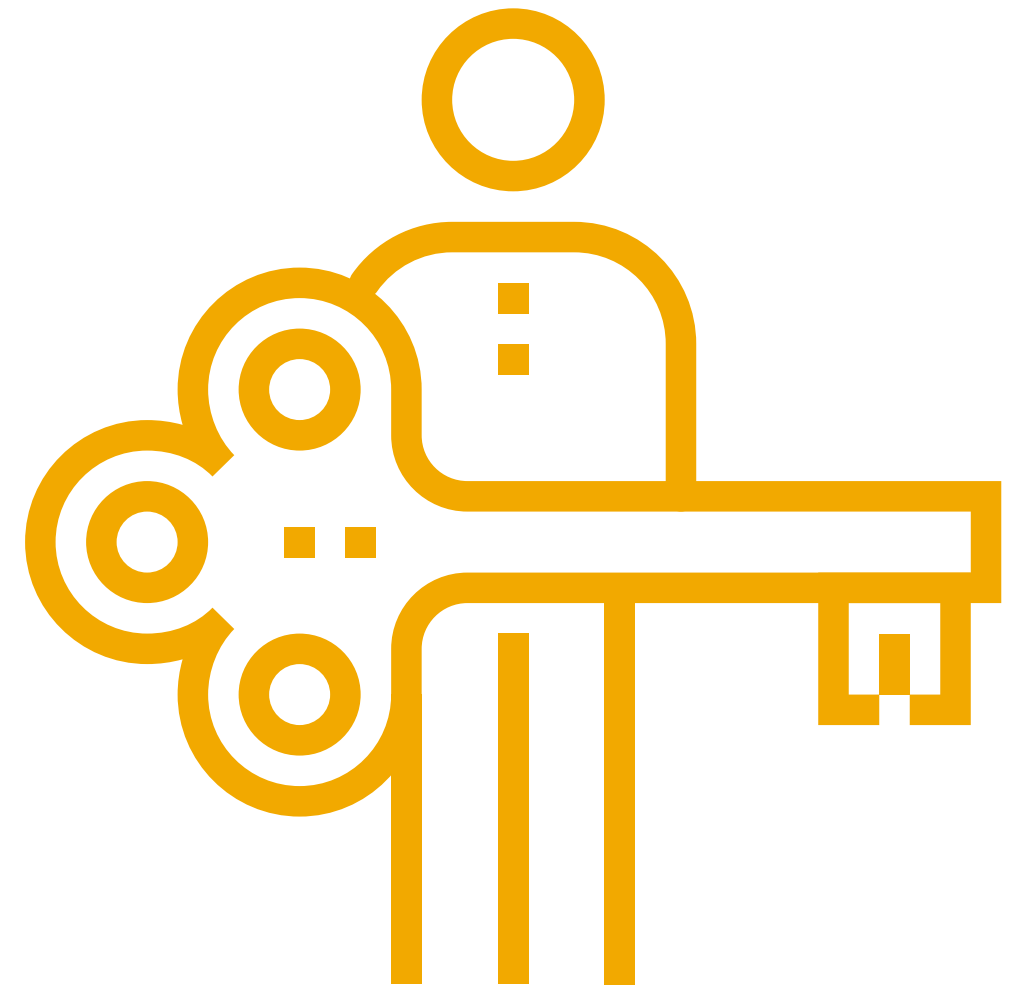
Your recognition program is an opportunity to create a space that brings your employer brand to life. The colors, images, layout and the language should reflect your company's personality, your current priorities and your company culture - this creates a user experience that gets employees excited to use the program and revisit it time and time again.

A platform that only has your company logo in the corner just won't cut it anymore. The more your platform feels like your business, the more likely your employees are to engage with it. Showcasing your employer brand through all the details of your hub builds higher trust and excitement with your people right from launch.

Here are some examples of companies who've embraced this.

PYBAR

PYBAR's miners aren't sitting at a desk – they're in the field. That's why PYBAR extends its recognition momentum with an app to make recognition easily accessible and visible. Plus, employees see friendly faces on their peer-to-peer recognition eCards since the eCard "High Fives" were designed around employee photos.
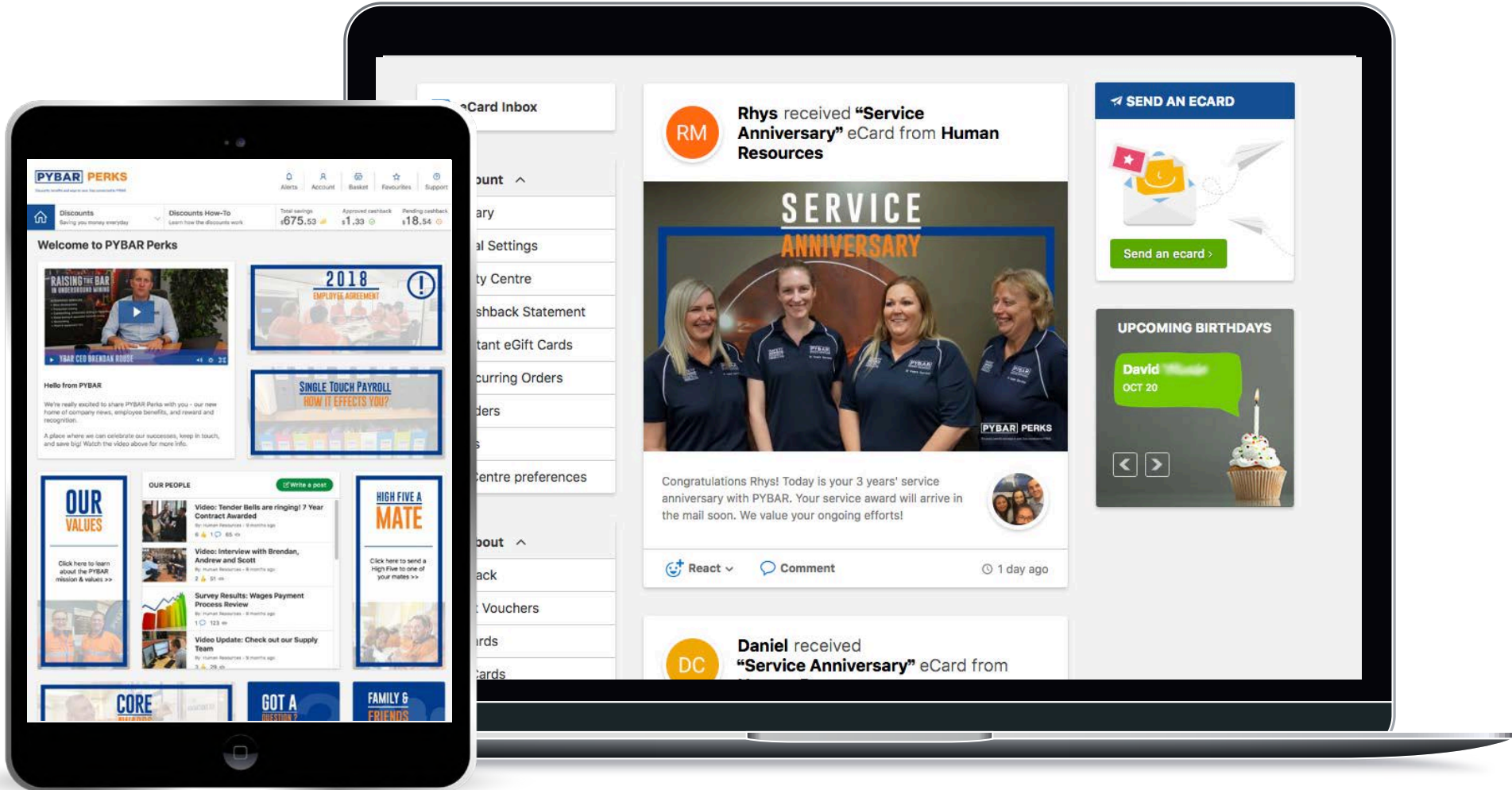
To create a culture of appreciation across the organization and improve employee morale, the Digestive Health Associates of Texas (DHAT) implemented peer-to-peer and manager-led recognition and reward tools, including eCards based on their core values such as "Deliver an exceptional patient experience" that live on a social recognition wall.

Krispy Kreme brings its values and brand to life through a peer-to-peer recognition program linked directly to company values. Timely updates from the CEO adds to the employer-employee connection.
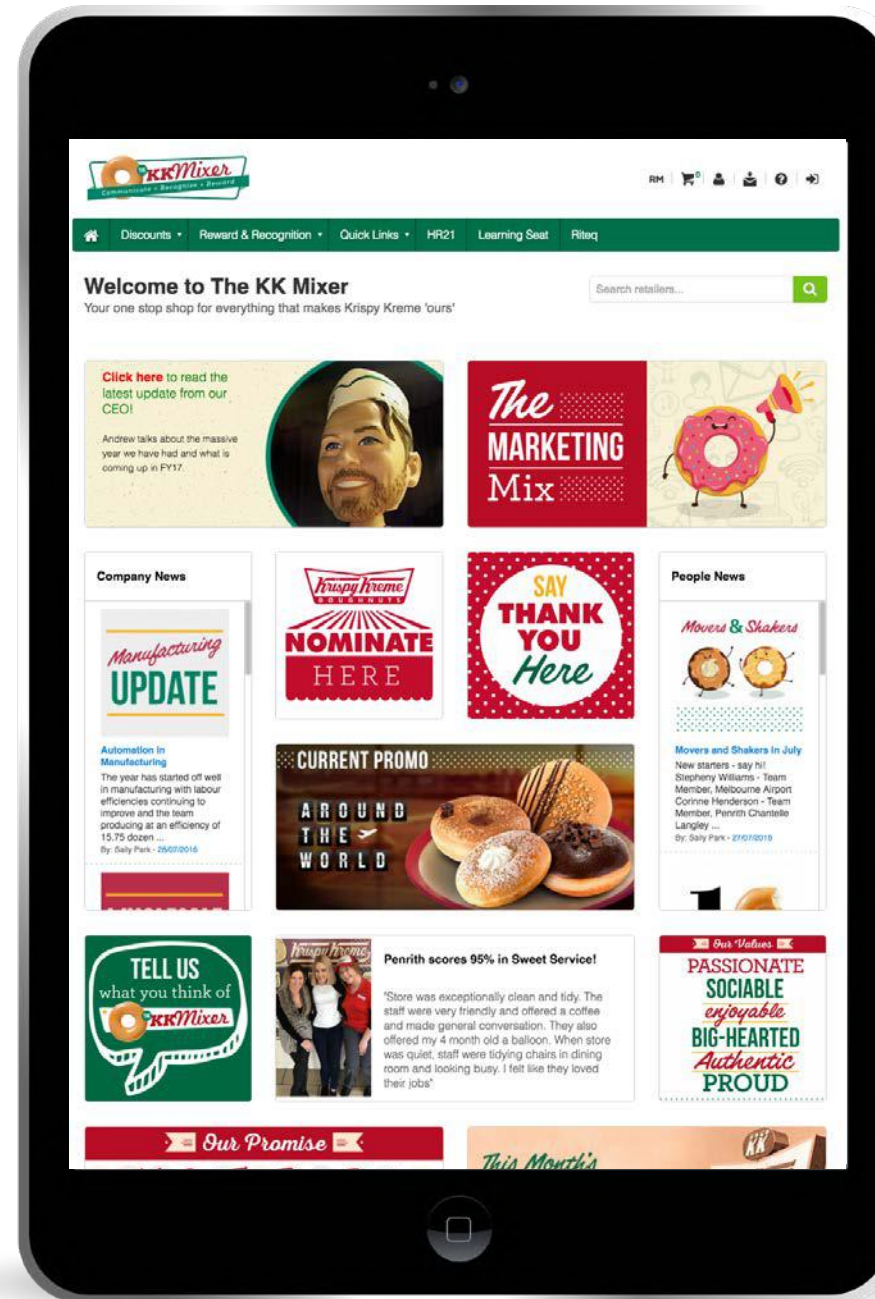
All these companies have very different cultures and they've used their program as an opportunity to showcase that, and it gets their people excited and logging in.

To make recognition personal, not generic, use every opportunity to shine a spotlight on your people – make them proud of their achievements all year around, shout it from the rooftops in video channels, your company blog and your social media pages. Your people will thank you.

Top-to-bottom customization

Work with the Reward Gateway Design Team to create eCards and a hub that reflect *your* brand, *your* goals. Whether building a program based on values or behaviors, recognizing performance aligned to your strategic goals, or giving employees a chance to say "Happy Birthday" and "Welcome to the Team," design peer-to-peer recognition and employee awards that are uniquely yours.

Step Six: Invest in a Solution Your People will Use

Put best practice in action

My heart goes out to the HR business partners and employee engagement managers who I've spoken to who have gone all out to redesign and launch a brand new recognition and reward program... only to have a small fraction of their people actually log in and use it.

> Recognition and reward shouldn't be considered an "add on" to your work life – it should be part of how your people operate.

But clunky systems that are difficult to access or offer a poor user experience, or recognition frameworks that haven't evolved as your business or your teams have grown, too easily become cumbersome or irrelevant.

To create a culture of recognition, it really needs to be ingrained in everything your people see and do. It might be as simple as

implementing single-sign on or providing a mobile app that empowers employees to give and receive recognition on the go. Or, integrate recognition moments into communication channels like Slack, email and publish recent recognition messages on TVs in different offices.
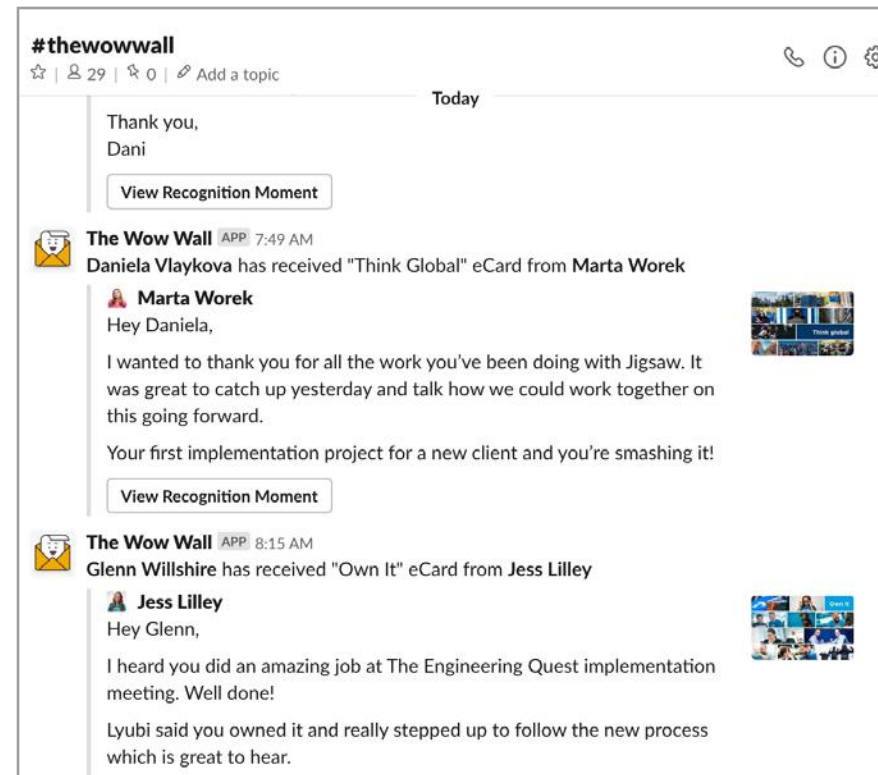
Integrations with Slack and other communication channels help boost engagement.

Find your Recognition Champions

Managers can be the secret to unlocking better engagement with your reward and recognition program — use them as your champions to "walk the walk" and teach them how to strategically recognize others.

The more they do it, the more others will learn and follow suit.

Create guidelines and suggestions, and educate managers about how and when to use these specific awards. Don't worry about overuse unless it actually becomes an issue!
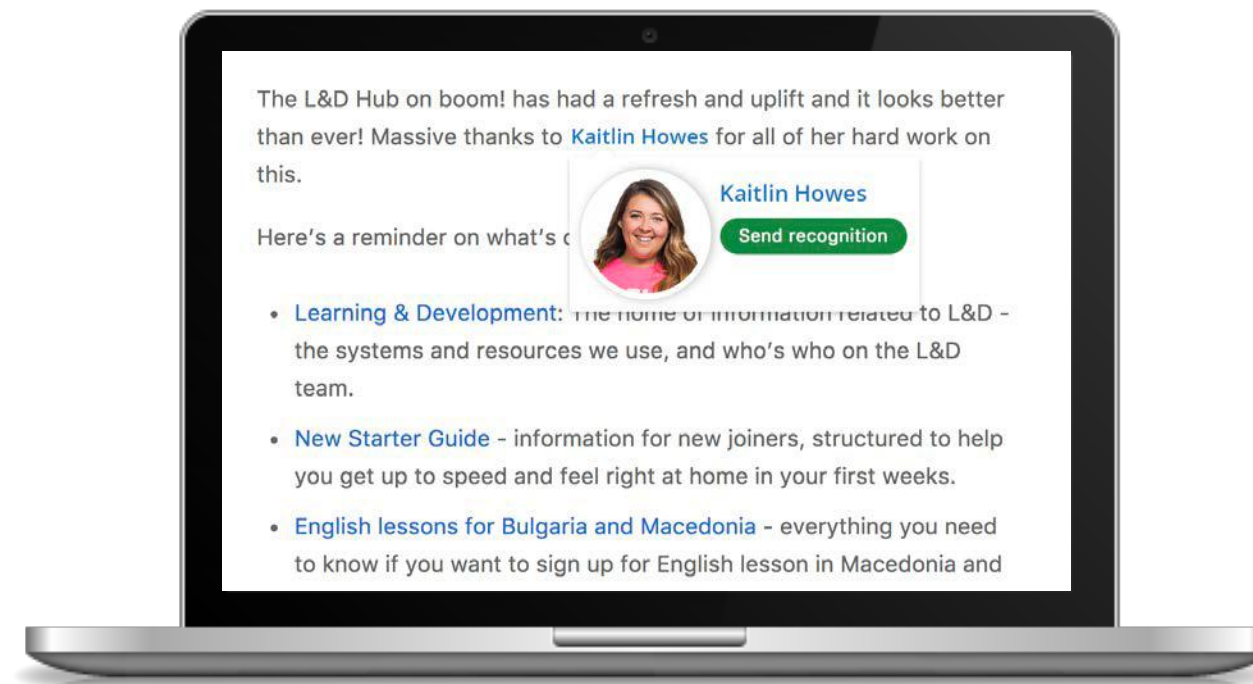
Manager alerts

With manager alerts, managers receive gentle reminders whenever it's a direct report's work anniversary and birthday, and when their team members are recognized by someone else in the business.

Combine communications and recognition for a powerful boost to engagement

Recognition doesn't — and shouldn't — happen in isolation. By integrating moments of recognition into everyday communications, recognition and reward becomes more frequent and natural for your employees. See how easy it can be:

📢 Announce

The company's VP of Technology announces the launch of a redesign of the organization's Learning and Development hub, tagging the Designer Kaitlin Howes as she was critical to the project's success.

The L&D Hub on boom! has had a refresh and uplift and it looks better than ever! Massive thanks to Kaitlin Howes for all of her hard work on this.

Kaitlin Howes
Send recognition

Here's a reminder on what's

- **Learning & Development**: The home of information related to L&D - the systems and resources we use, and who's who on the L&D team.

- **New Starter Guide** - information for new joiners, structured to help you get up to speed and feel right at home in your first weeks.

- **English lessons for Bulgaria and Macedonia** - everything you need to know if you want to sign up for English lesson in Macedonia and

Engage

Kaitlin receives an alert on her cell phone, letting her know she's been tagged in a post, logs into the Connect+ app and reads it. She adds a comment thanking the Marketing Team for their input, saying it was a team effort.
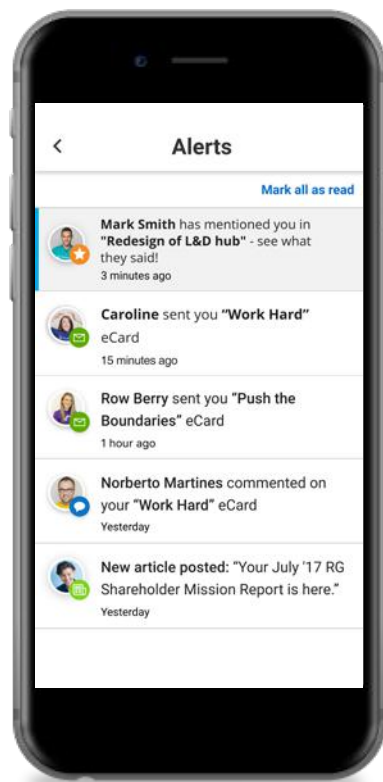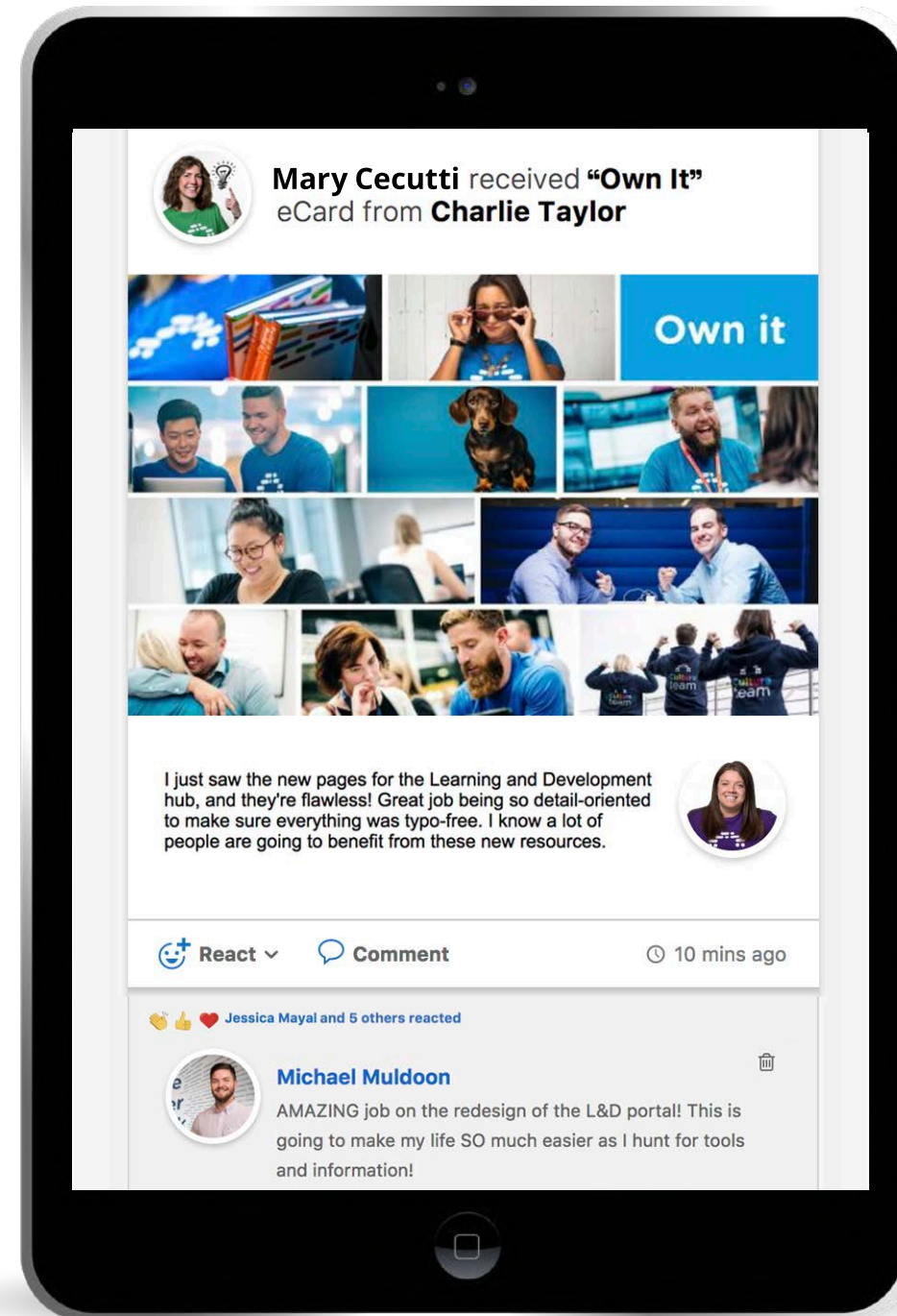
Recognize

The Marketing Director decides to send an eCard to one of her reports, Mary, who helped proofread the copy for the new pages, and an award to Betta, a Senior Manager who had a big influence over the original direction of the project.
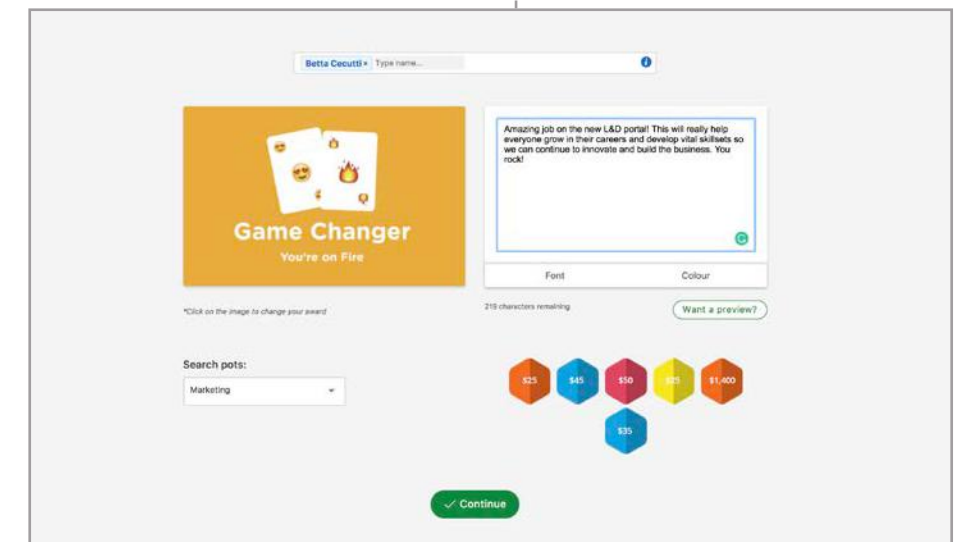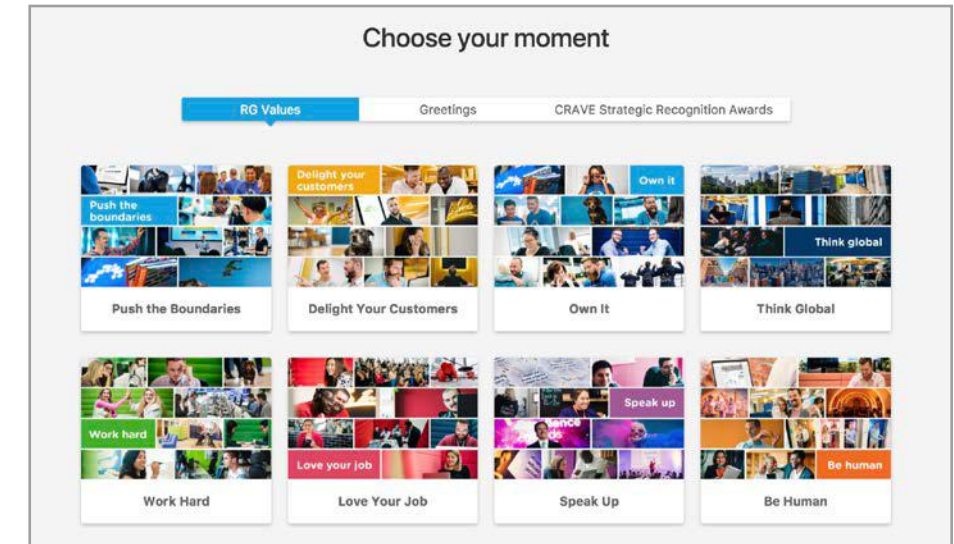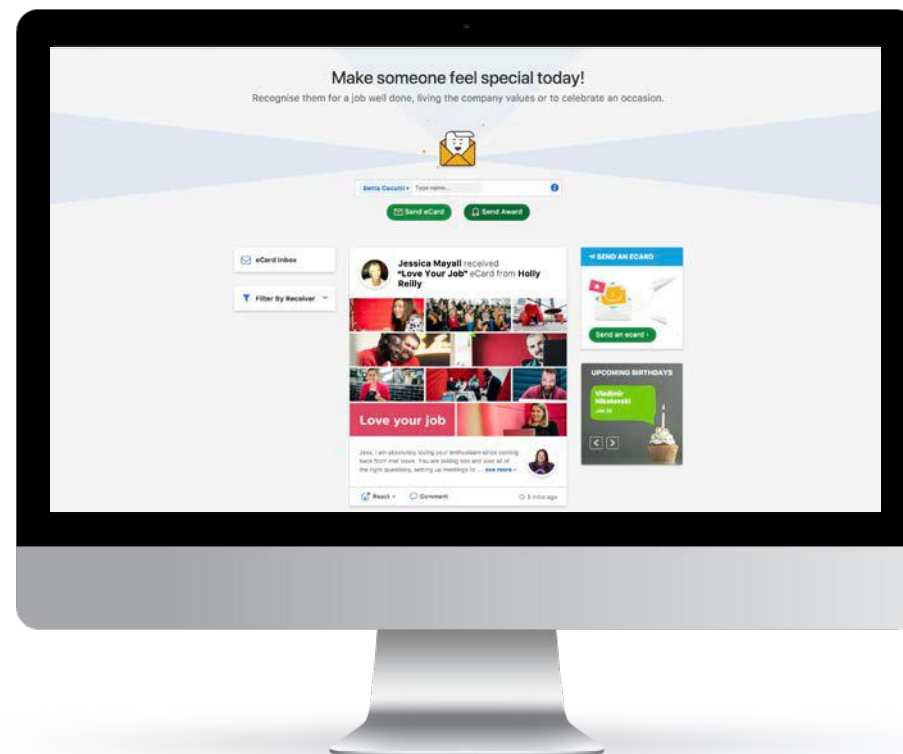
Repeat!

Mike, who's new to the company, sees the eCard and award on the recognition social feed, and adds his thoughts and reactions to continue the conversation.
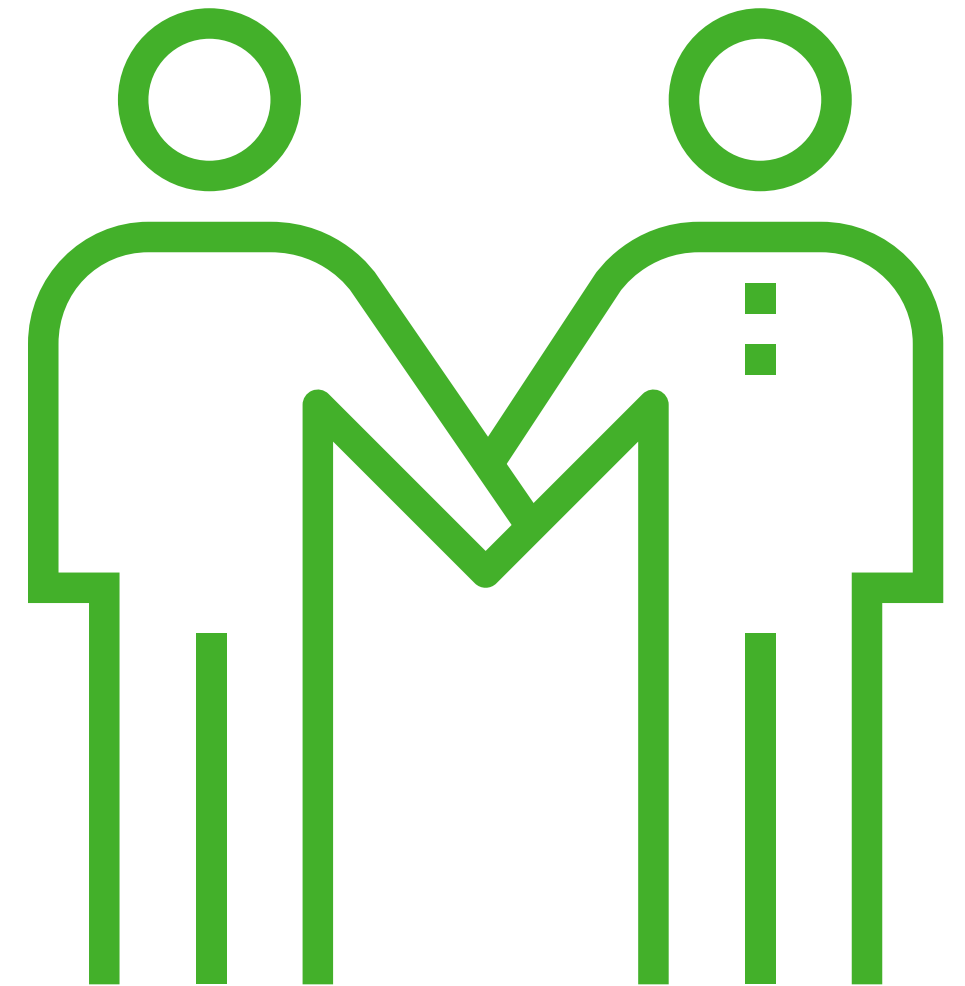
Connect+
Great news travels fast

Go mobile with the Connect+ app

Introduce your people to an on-the-go employee recognition app with a social recognition wall and company blogs right at their fingertips. Send, comment and react to eCards right from the app. Plus managers can deliver on-the-spot recognition, even during their daily commute!

Mary Cecutti received **"Own It"** eCard from **Charlie Taylor**

Own it

I just saw the new pages for the Learning and Development hub, and they're flawless! Great job being so detail-oriented to make sure everything was typo-free. I know a lot of people are going to benefit from these new resources.

React ⌄   Comment   10 mins ago

👏 👍 ❤️ Jessica Mayal and 5 others reacted

Michael Muldoon
AMAZING job on the redesign of the L&D portal! This is going to make my life SO much easier as I hunt for tools and information!

Step Seven: Find a Partner, not a Vendor

Look for an expert partner to evolve with your strategy

Running an R&R program usually takes more time than we ever think it will. Sometimes the paperwork and manual handling alone is so overwhelming that I often find HR professionals wanting to throw it in the "too hard" basket.

If you and your team are spending way too much time collecting and counting votes, refilling the supply of vouchers in the office, chasing up rewards that have been lost in transit, or on the phone with a call center support person who isn't quite sure what you are trying to achieve with your recognition strategy, it may be time to seek a more satisfying solution.

That's why Reward Gateway offers a Client Success Manager who's going to partner with you to help you not just build a program that's exciting, but will support you in implementing that framework,

communicating with your people and understanding program performance over time.

> As your company grows and evolves, so will your employees' needs, so it's important to partner with a company willing to take that journey with you and adapt as you need them to.

Client Success Manager and Support Team

Get guidance and expertise every step of the way, from implementation to launch and beyond. The Reward Gateway Team has decades of experience putting recognition programs in place that get results.
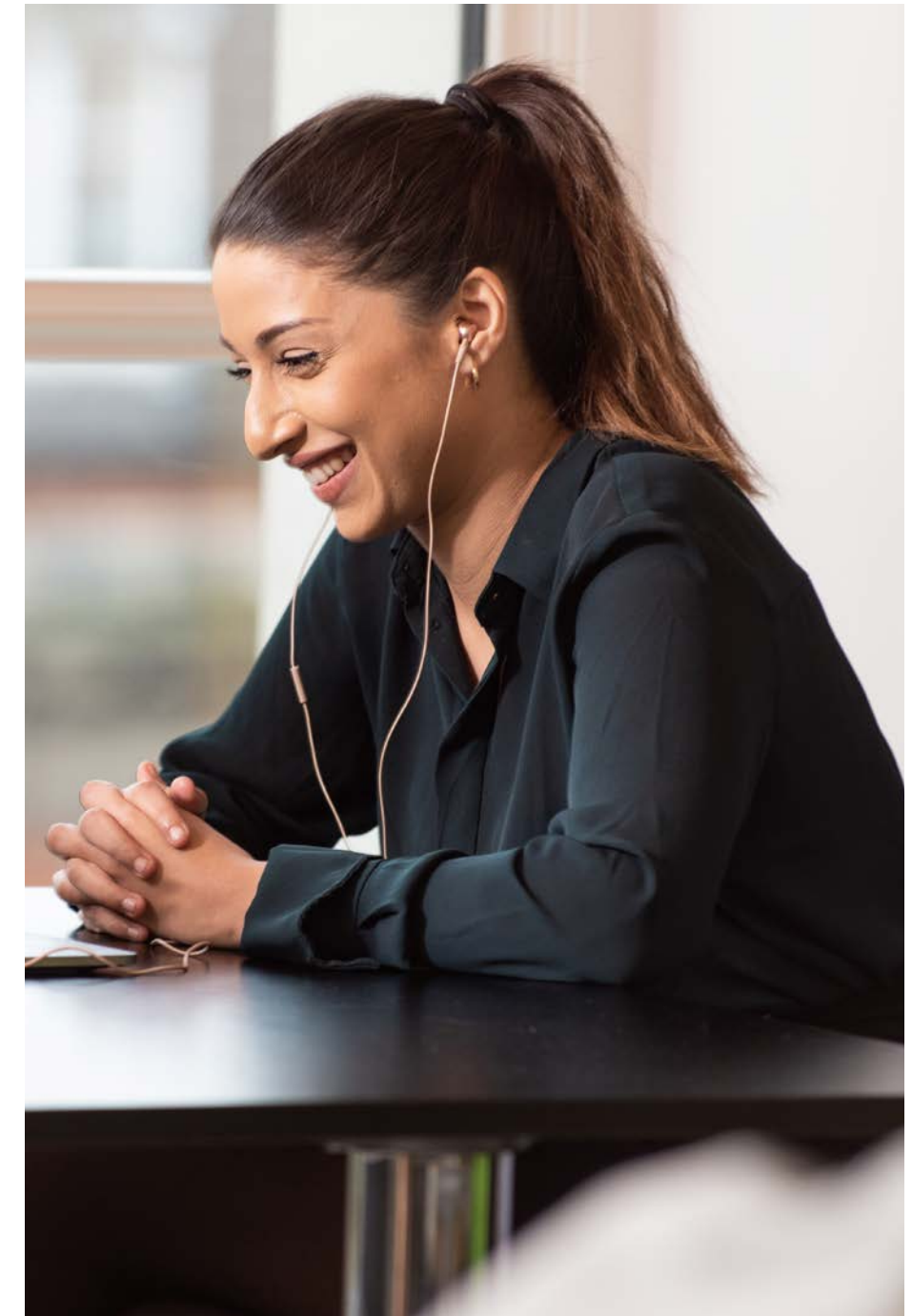
The Reward Gateway Recognition and Reward Solution

Peer-to-peer employee recognition

Our peer-to-peer employee recognition program offers tailored eCards to fit every organization's unique goals and brand. Anyone can send or receive moments of recognition to showcase moments of values-driven behavior, celebrate a big (or small!) win or welcome new team members on board.

Social recognition

Employee recognition is most effective when others can share in that special moment, and that's easy to do with social recognition. Plus eCards and other rewards are displayed on a real-time feed of moments of recognition, where employees can interact with eCards and other awards by reacting with an emoji, commenting to lend support or tagging others to extend the conversation.

Instant award delivery

Empower managers with dedicated budgets to recognize their top performers with rewards redeemable at hundreds of national retailers, from entertainment, travel, fashion and beyond. It'll be a reward your employees will actually *want* to use.

Peer-to-peer nominations

Do you hold a peer-to-peer company award program such as Employee of the Month? Make it easy to manage and approve through our employee reward and recognition program. Use creative solutions to celebrate employee wins and milestones which reflect the unique culture and business challenges your company faces, across all levels.

Customized awards

Whether it's for a service milestone or anything else, just send us a list of who you'd like to reward and watch your employees smile when they receive a company-branded, personalized email, congratulating them on their achievement.
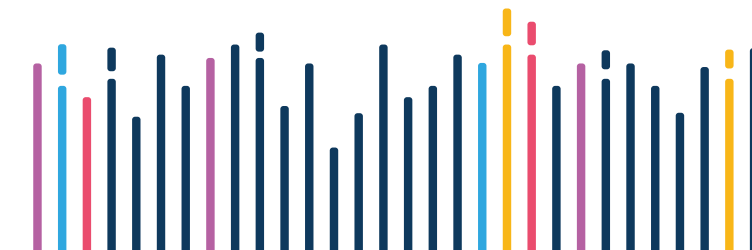
Conclusion

Just as the communication tools that we used in the '80s and '90s wouldn't cut it with today's fast-paced workforce, using the recognition and reward techniques that were introduced decades ago will miss the mark today and leave you and your people disengaged.

The exciting opportunity is that by tackling just one of these seven steps, you will be on the road to delivering a better experience for your people. When you focus on how to create a culture of recognition in your business, you can start truly moving that elusive needle on driving employee engagement, cultural change and business results.

The team and I are always here to help you on your journey.

Kylie Green
Global SVP of Consultancy
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Employee recognition and our other products are powered by a centralized hub tailored to your organization, giving your employees better access to employee recognition tools.

If you're interested in learning more about ways to align, motivate and engage your people, please get in touch. We'd love to help you get started.

Connect with the team:
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T: 617-379-2592