

An EVP that Drives Engagement:

the power of benefits,
recognition and appreciation



Reward
Gateway





Reward, recognize, appreciate, repeat

Picture the ideal employee. You might think: super productive, endlessly positive, spreading cheer throughout the office – where of course they work every day. Brand champion outside of work, using and promoting your products everywhere, recruits the best people to work for you. So loyal, ambitious and always learning.

Now picture the opposite: An employee who accomplishes as little as possible, spreads gloom in the workplace, badmouths your brand and is forever on the verge of quitting.

Some employees may come by these characteristics naturally. But since nature always combines with nurture to shape our characters, employers have a great deal of opportunity to nurture engagement at work. What you give to employees for their time and efforts – beyond salary and bonuses – can make the difference between fostering the ideal employee or creating the one you wish you'd never hired.

So what are the best ways to create a whole company full of ideal employees? There is no doubt that employee needs are complex and

will vary greatly from person to person. But a broad understanding of what employees need in 2024 can give you some insight on how to engage and retain the biggest contributors.

This is what our research teams at Reward Gateway | Edenred had in mind when they asked 1,000 employees, managers and executives how they are feeling about the challenges and opportunities in today's workplaces. We checked in with workplace participants from entry level to CEO, in every function from strategy to operations. We asked introverts, extroverts and ambiverts all kinds of questions, whether they've been at a company for 10 months or 10 years.

In this report, we dish on what people are feeling about the benefits, appreciation and recognition they receive from their employer. Using this on-point, honest, anonymous and statistically interesting insight, your organization can sharpen your pencils on ensuring employees stay engaged, productive and keen to extend their careers at your company.

In Part I, we'll see how employees feel about their benefits. In Part II, we dive into employees' feelings on recognition practices at work. Part III is all about how appreciated employees are feeling. So without further ado, let's jump in.

PART I: Benefits

When raises and bonuses are out of the question, a visible increase in key benefits can be much more affordable than increasing pay across the board. But more importantly, they send a strong message to employees that you value them.

In fact, many types of benefits send even more love to staff than padding their pocketbooks with a raise might offer. Our survey uncovered a whole list of benefits that, for many employees, sit higher in importance than a 10% pay raise, which is saying a great deal.

People often think benefits mean a health and dental insurance plan – which are nothing to sneeze at. But modern benefits can go way beyond healthy teeth and annual physicals. In fact, the variety of benefits available to employees today is limited only by your imagination. And, according to our survey respondents, the more you customize benefits for an employee’s needs, likes, personality or role, the more that employee will feel seen, understood and appreciated.

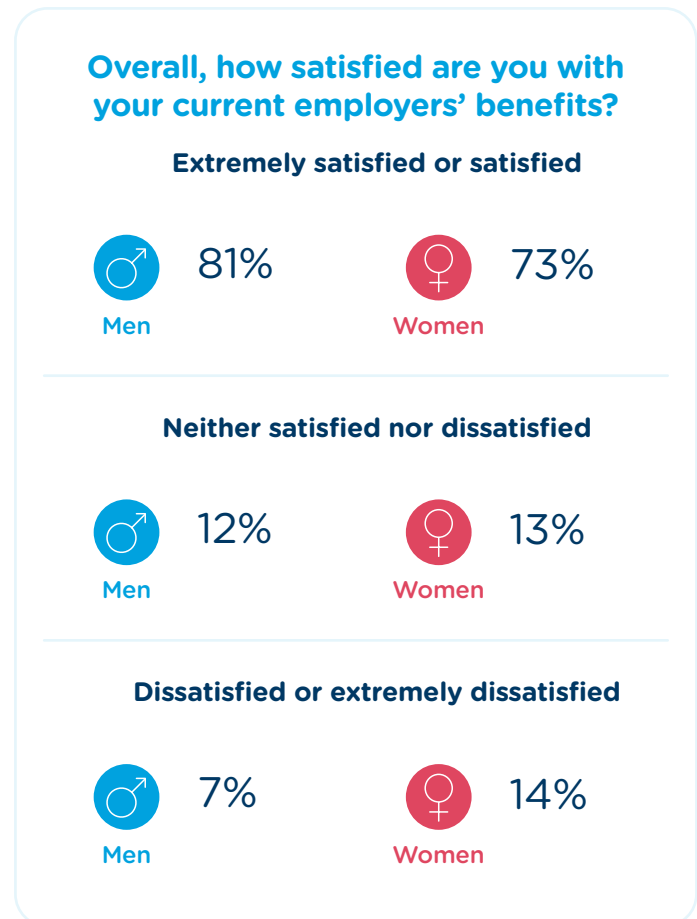
So let’s lift the lid on how employees across the world are feeling with their benefits at work.

How happy are employees with their benefits?

77% of employees are satisfied¹ with their current employers’ benefits.

For the most part, employees are satisfied with their benefits. Not thrilled, perhaps, but content. This speaks to an opportunity for companies wishing to stand out. How could you make that number jump to 85? To 95?

Interestingly, men (81%) are more likely than women (73%) to say that they are satisfied¹ with their current employers’ benefits. Could this be related to the often differing needs of men and women when it comes to specific benefits like remote work?



When we looked at benefits satisfaction by industry, we saw further variations in responses: Those from Manufacturing, Technology and Financial Services had satisfaction above 80% and those in the Food and Beverage industry are lowest at 66%.

Overall, how satisfied are you with your current employers' benefits?

Extremely satisfied or satisfied	Neither satisfied nor dissatisfied	Dissatisfied or extremely dissatisfied	Not sure
E-commerce/Retail			
79%	10%	12%	0%
Education			
77%	13%	11%	0%
Financial Services			
85%	7%	8%	0%
Food and Beverage			
66%	22%	12%	0%
Healthcare			
79%	8%	13%	0%
Manufacturing			
86%	4%	9%	1%
Technology			
87%	9%	5%	0%
Other Industries			
70%	17%	12%	1%

Which benefits are employees liking the best? Employees are most likely to say that they are satisfied with time off-related benefits (74%), insurance-related benefits (70%) and financial-related benefits (70%). When employees were asked which benefits were most important

when selecting an employer, these three types of benefits showed up at the top again: with financial (59%), insurance (57%), and time off-related benefits (53%) in the highest ranking. These three types of benefits are consistently important across different age groups.



















Health and wellness (51%), family (43%), and growth-related benefits (43%) all fell into the mid-range for importance. Education (29%) and transportation-related benefits (25%) received the lowest rankings among employees.

Interest in specific benefits within these general categories is similar across generations, but there is some specific variations that speak to that generation's concerns.

- Gen Z is more interested in student loan assistance (14%) than the average of 7%.
- Millennials are a bit more interested in childcare reimbursement (10%) than the average of 6%.



How satisfied are you with your employer's benefits?

Extremely satisfied or Satisfied	Dissatisfied or Extremely dissatisfied
 Insurance-related benefits 	
70%	11%
 Financial-related benefits 	
69%	10%
 Health and wellness-related benefits 	
61%	11%
 Family-related benefits 	
51%	9%
 Transportation-related benefits 	
42%	11%
 Time off-related benefits 	
74%	10%
 Growth-related benefits 	
59%	14%
 Education-related benefits 	
47%	11%



Many kinds of benefits top a pay raise

More than half

of employees say that insurance-related benefits (59%), financial-related benefits (e.g. 401k and stock options) (56%) and time off-related benefits (52%) are more important than a 10% raise.

Amazingly, there were many other benefits that also beat out a 10% raise in importance. These include benefits related to career growth, such as training or mentorship (40%); health and wellness-related benefits, such as a gym membership or a personal coach (36%); and family-related benefits, such as paid parental or bereavement leave (35%).

Of course, there are some important demographic differences. Employees 18-24 years old are more likely to rank growth-related benefits (54%) and health and wellbeing benefits (56%) as more important than a 10% raise. For organizations solidifying their benefits strategy for the future workforce, it's enlightening to know that for this generation – or for younger people in general – career development benefits will be critical to engagement and retention.



Time off is valuable currency

Time away from work seems to be top of mind for employees. A little more than one-third of employees (35%) mentioned flexible start and end times to their workday as desirable benefits from a potential employer. Women are particularly interested in unlimited paid time off (52%) compared to men (45%).

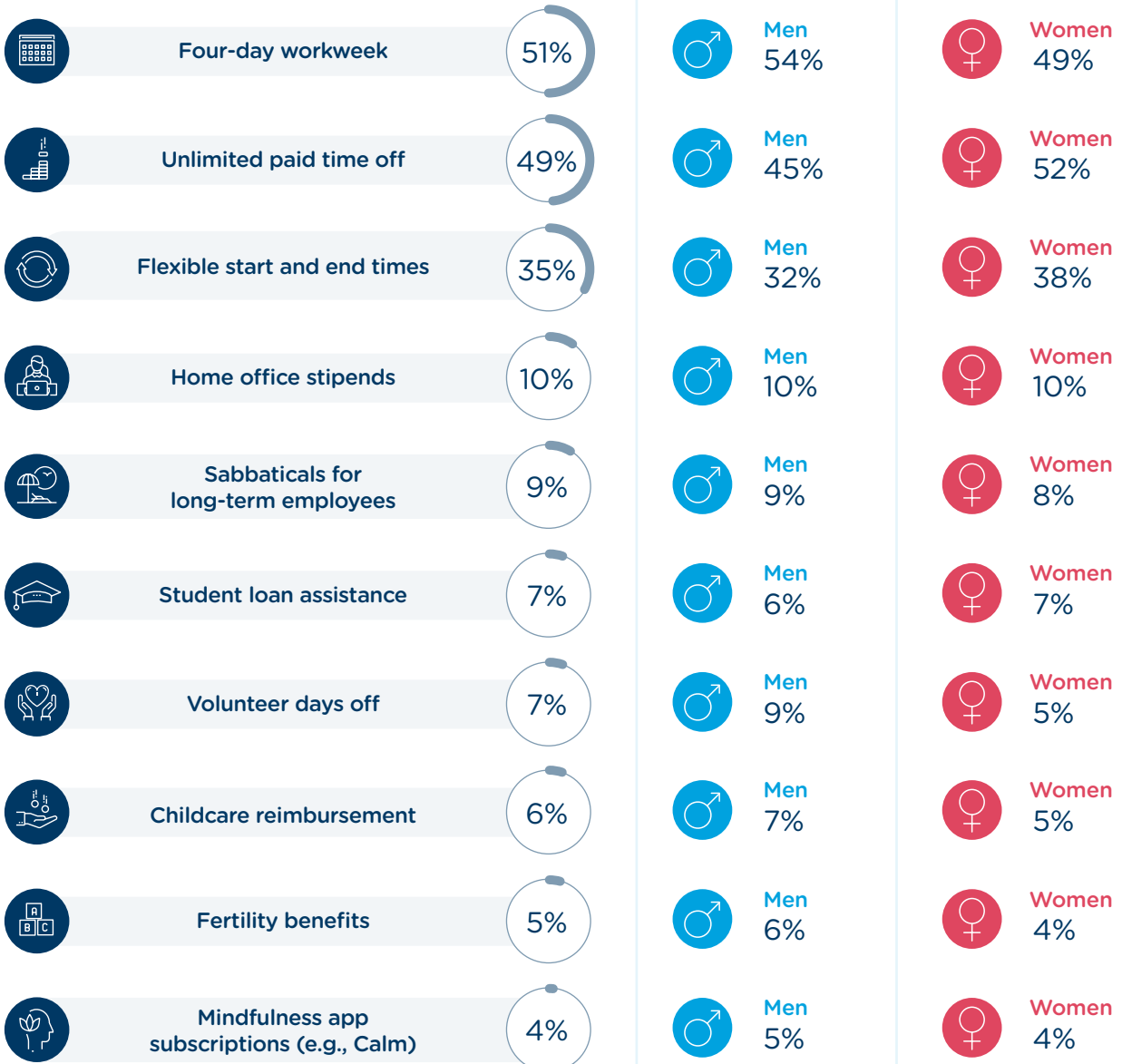
Knowing the importance of time off can help you shape organizational policies that are generous with PTO. But it's also a key insight

Nearly half

of employees rank a four-day workweek (51%) and unlimited paid time off (49%) as the most interesting benefits an employer could offer.

for managers: Has someone had a tough week? Since time off is high-value currency, encouraging them to leave early on a Friday (without using vacation time) is a cost-free way to reward great work and relieve stress.

Which of the following specific benefits would be most interesting to you if offered by an employer?

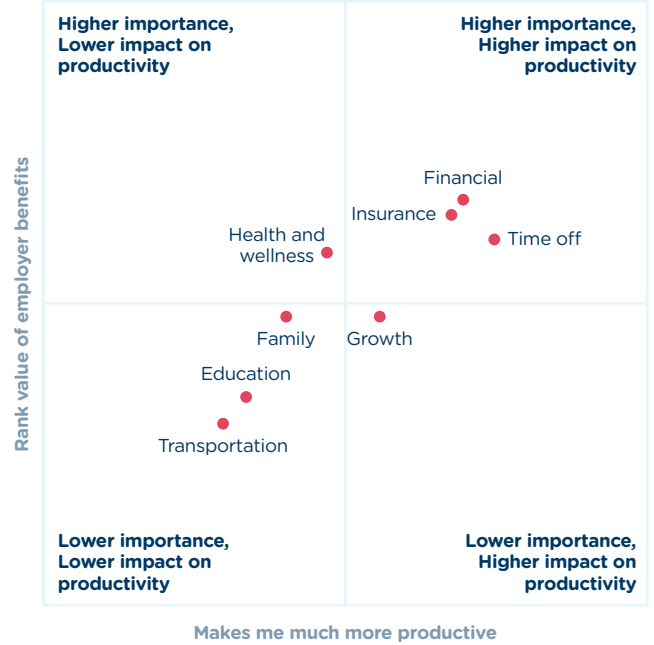


How benefits impact productivity

Employees say that receiving time off (46%), financial- (e.g. 401k, stock options) (43%), and insurance-related benefits (42%) make them much more productive at work.

While it may seem counterintuitive for time off to increase productivity, a study by Ernst & Young actually found that, for every 10 hours of additional vacation their employees took, their year-end performance rating improved by 8%. Those who vacationed more were also significantly less likely to leave the firm. Boston Consulting Group found that high-level professionals who were required to take time off were significantly more productive overall than those who spent more time working.²

Benefits' perceived value and impact on productivity



² "Health Benefits of Vacations," HealthNet

When thinking about the following benefits, please indicate how having the benefit would impact your productivity at work.

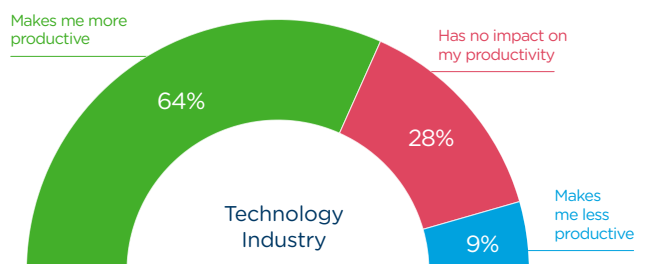
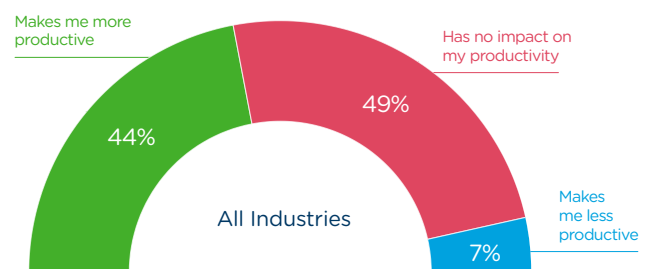
Makes me much more productive		Has no impact on my productivity		Makes me much less productive
10-9	8-7	6-5	4-3	2-0
Insurance-related benefits				
42%	28%	27%	2%	0%
Financial-related benefits				
43%	29%	25%	2%	0%
Health and wellness-related benefits				
30%	31%	37%	2%	0%
Family-related benefits				
26%	23%	48%	2%	2%
Transportation-related benefits				
21%	18%	55%	4%	4%
Time off-related benefits				
46%	30%	22%	2%	1%
Growth-related benefits				
35%	30%	32%	2%	1%
Education-related benefits				
22%	22%	52%	3%	1%

Growth (35%), health and wellbeing (30%) and family-related benefits (26%) all fell within the mid-range for making employees feel more productive at work – and are more important than a 10% pay raise to over 30% of surveyed employees (across age groups). And overall, employees feel that education (22%) and transportation-related benefits (21%) are the least likely to impact their productivity at work – they’re also less important than a pay raise for around 40% of employees.

While these benefits didn’t rank as high, they could still be very important to some staff.

Consider especially where your organization’s office is located, for example – city-based personnel will benefit more broadly from commuter benefits than those in more rural areas. 64% of technology-industry employees, for example, who are usually located in large urban centers, say that transportation-related benefits improve their productivity at work.

Do transportation-related benefits improve your productivity at work?



Are family-related benefits more or less important to you than a 10% pay raise?

More important	Neither important nor unimportant	Less important	Not applicable/ Not sure
Z Gen Z (18- 27)			
35%	24%	30%	11%
M Millennial (28-43)			
46%	27%	22%	6%
X Gen X (44-59)			
29%	24%	36%	11%
B Baby Boomer or Silent Gen (60+)			
17%	19%	42%	23%

You can also use your employee demographics to guide other benefits decisions: 53% of Gen Z and 46% of Millennials say that family-related benefits like parental leave are more important than a 10% pay raise, but that interest drops off dramatically for Gen X and baby boomer populations, at 29% and 17% respectively.

The benefits of benefits

Offering productivity-boosting benefits that employees value can pay for itself many times over. With insight into the top-value benefits - including the need for time away to rest and recharge - you can tailor your benefit plans to appeal to the most people. But don't forget that preferences may also vary according to demographics and personality type, and some employees will always have unique needs. Some flexibility in your benefit offering can help you respond.



While not every benefit may resonate with every employee, we know that specific, niche benefits can be invaluable to those they support, which is why we've designed our offerings to be flexible and adaptable to meet individual needs when they matter most.

Kaitlin Howes, HR Business Partner



PART II: Recognition

In the old days, we had the standard workplace awards to highlight instances of good performance: big wins, years served, employee of the month and so on. But recognition has come a long way from simply recognizing tenure milestones.

Now employees can be recognized in so many ways that organizations can personalize their kudos to the needs, likes, desires, personality or role of the individual - and you don't have to wait for a five-year anniversary to do it. Thanking someone for their help on a project, for going above and beyond on a tight deadline or for being generally awesome can be done daily, in small ways. This kind of ongoing, customized recognition fosters connection, loyalty and increased wellbeing in the workplace. How do we know? Again: the data.

Customized recognition fosters appreciation

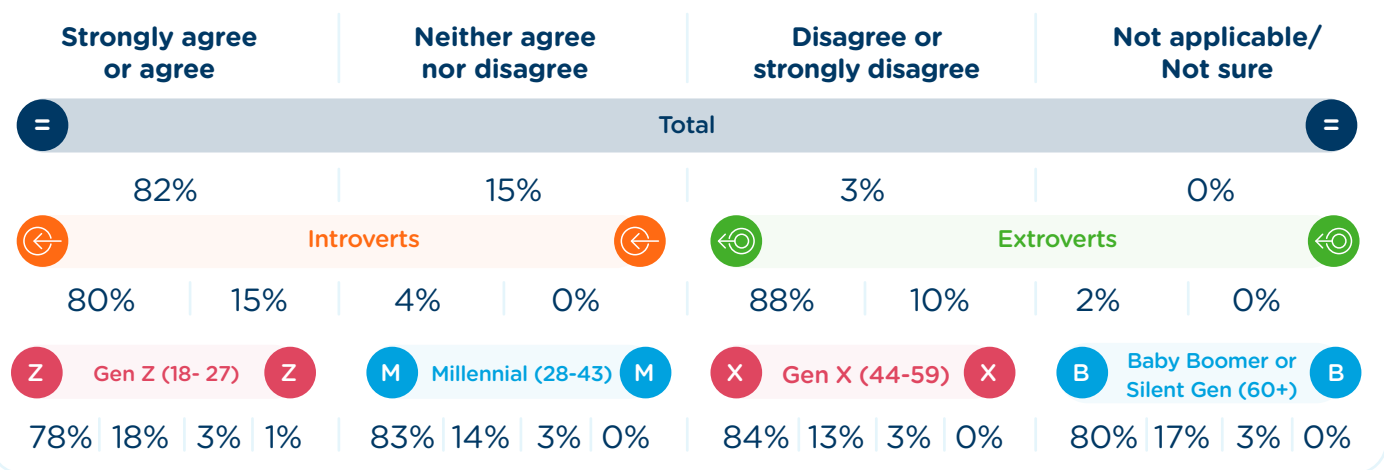
84%

agree³ that they feel more appreciated as a person when they receive customized recognition for their performance at work.

When employees receive recognition in their preferred format, such as a personalized eCard, a gift certificate to their favorite shop or a gift item that screams "me," they feel more connected to their workplace and less stressed. It's a dopamine hit that says "I'm seen."

Four in five (82%) employees agree³ that receiving customized recognition makes them feel more connected to their workplace, with extroverts (88%) more likely to feel this way than introverts (80%). Employees also agree³ that they are more likely to stay with their company longer (81%), have improved wellbeing (78%) and feel less stressed (73%) when they receive personalized recognition in the workplace.

I feel more connected to my workplace when I receive customized recognition at work.



³ Agree or Strongly agree

How are good workplaces recognizing performance?

57% of employees prefer to be recognized for work-related performance or milestones with monetary awards.

Beyond financial compensation, employees like to be recognized for these achievements in individual performance reviews (29%), through private verbal praise (22%), and through verbal praise during a team meeting (20%). In this case, extroverts and introverts prefer to be recognized in similar ways, with a slight difference: introverts show a slight preference for private verbal praise, while extroverts prefer public recognition in a company-wide meeting.



How, if at all, do you prefer to be recognized at work for work-related performance or milestones?





Client highlight: Neiman Marcus

Neiman Marcus is an American luxury retail organization with 36 stores across the United States. With numerous employee experience awards under its belt, the firm is a leader in employee recognition and engagement.

Neiman Marcus partnered with Reward Gateway in 2021 to revamp its employee recognition program on a centralized, cohesive engagement platform. And with as diverse of a workforce as Neiman Marcus Group has – ranging across salespeople, corporate employees, remote workers and even in-store restaurant staff – it was vital to get everyone connected, communicating and recognizing each other for all of the great work happening around the business.

Reward Gateway's platform has provided Neiman Marcus with the flexibility to tailor recognition to various segments of their workforce. "It's all directions, and it's for all different reasons," explains Jonathan Magallan, corporate total rewards analyst. "We obviously align the moments with some of our values. Some of them stem from values, but other ones are based on the cadence of what's going on in the year or the interval in time." And with a mixture of both monetary and non-monetary rewards employees can send to their peers, the program has met overwhelmingly positive employee feedback.

As Jonathan reflects, "Recognition itself is meaningful. The meaningfulness and the intentional message is a big part of that, whether it's monetary or not." By leveraging Reward Gateway's tools and continually refining its approach, NMG is well-positioned to cultivate a culture where every individual feels valued and empowered to contribute to the organization's collective success.

[Read more!](#)













What about personal milestones?

It's important to know that 11% of employees do not wish to be recognized at work for personal milestones like a wedding, birthday or birth of a child. That's where the catch-all monthly birthday party comes in handy (see box). Those who welcome recognition of personal milestones opt for gifts, cards and gift cards as the primary delivery mechanisms. Gen Z and Millennial employees are more open than older generations to receiving verbal acknowledgement of personal milestones, either in private or during a team meeting.

To birthday or not to birthday

How does your organization celebrate personal milestones? While some like to go big to make these occasions special, others often find these awkward or uncomfortable. A giftless catch-all monthly birthday party is a simple way to press pause and insert some social time without putting anyone in the spotlight. And who doesn't love cake?

How, if at all, do you prefer to be recognized at work for **personal milestones?**

	Z Gen Z (18- 27)	M Millennial (28-43)	X Gen X (44-59)	B Baby Boomer or Silent Gen (60+)
 Receive a gift or a card	35%	39%	38%	31%
 Have an in-office event hosted for me	8%	12%	7%	8%
 Have an in-person event outside the office hosted for me	10%	9%	6%	2%
 Have a virtual event hosted for me	6%	4%	3%	1%
 Receive a gift card	32%	31%	40%	35%
 Verbal acknowledgement during a team meeting	24%	23%	13%	15%
 Private verbal praise from manager or colleague	21%	23%	13%	16%
 Public recognition during company-wide meetings or events	8%	13%	11%	6%
 Personalized note	21%	15%	15%	16%
 Other	2%	0%	1%	0%
 Not sure	3%	2%	3%	5%
 I do not wish to be recognized at work	5%	5%	12%	20%

Extroverts and introverts prefer to be recognized in similar ways for work accomplishments (primarily through financial rewards) and personal milestones (primarily in the form of gifts).

PART III: Appreciation

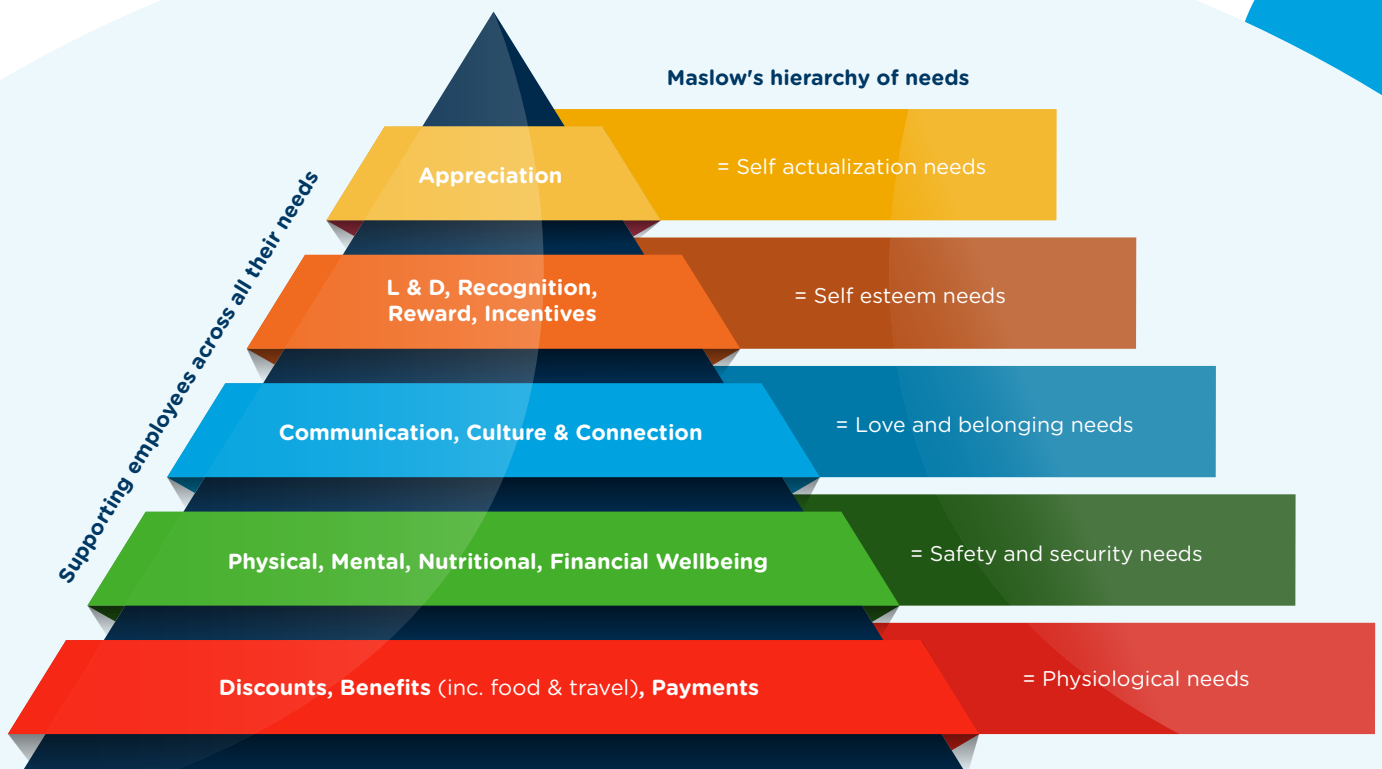
Employees associate appreciation at work with recognition, acknowledgement, compensation and praise.

Why is appreciation important? In our total employee experience model, based on Maslow's Hierarchy of Needs, basic foundational needs translate to salary, benefits, bonuses and discounts. When these basic needs are satisfied, we can ascend through Maslow's higher levels to satisfy social, creative and intellectual needs and reach our full potential. In the workplace model, this translates to layering strategies for wellbeing, communication and culture, recognition and rewards, all the way up to appreciation, which sits at the top of the pyramid, level with self-actualization.

By creating that hierarchy of benefits and practices, you create a culture of appreciation and respect. When employees can say they are appreciated, that's the summit of engagement, productivity, loyalty and retention. People thrive, and so does your organization.

Read more about using recognition and wellbeing as employee appreciation strategies:

 rg.co/appreciation-report





Are employees feeling appreciated in 2024?

49% of employees regularly feel appreciated⁴ for being themselves at work.

So: not so much. That top-of-the-pyramid, self-actualized, I'm-living-my-best-life feeling is only happening for half of all employees.

But instead of seeing this as a crisis, let's look at it as a major opportunity for organizations. When you work to create that culture of appreciation, you're miles ahead in employee attraction, engagement, retention and productivity.

It's interesting to note that extroverts (63%) are more likely than introverts (43%) to say that they regularly feel appreciated¹ for being themselves at work.

How often do you feel appreciated for being you - not just for your performance or results - at work?

Always/Often			Sometimes			Rarely/Never		
= Total =								
49%			33%			17%		
Introverts			Extroverts					
43%			63%			25%		
35%			22%			12%		
Gen Z (18-27)			Millennial (28-43)			Gen X (44-59)		
54%			54%			44%		
32%			30%			36%		
11%			16%			20%		
Baby Boomer or Silent Gen (60+)								
48%						48%		
						32%		
						19%		



How often do you feel appreciated for being you - not just for your performance or results - at work?

Always/Often	Sometimes	Rarely/Never
Total		
49%	33%	17%
E-commerce/Retail		
63%	23%	14%
Education		
45%	39%	16%
Financial Services		
46%	42%	9%
Food and Beverage		
48%	30%	20%
Healthcare		
47%	29%	24%
Manufacturing		
49%	29%	22%
Technology		
63%	28%	9%
Other Industries		
46%	34%	18%

How are good workplaces appreciating staff?

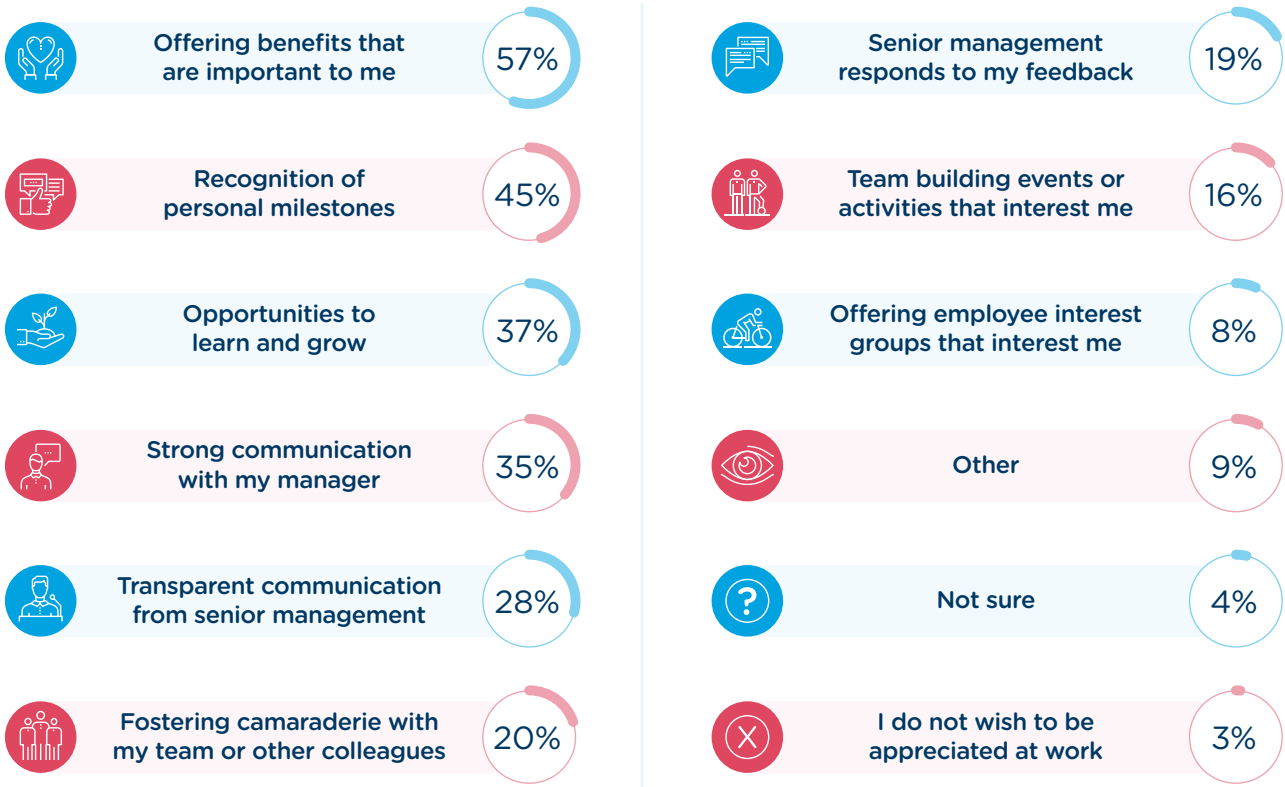
Top 2 contributors to employee appreciation are **strong communication with one’s manager** (58%) and **recognition of personal milestones** (51%).

How does it feel to be appreciated for all you bring to the workplace? Beyond recognition of performance or results, employees feel appreciated at work when they have a good relationship with their manager, and when personal milestones are recognized. Notably, strong communication with managers is particularly important for Gen Z (63%).

There’s still room for improvement.

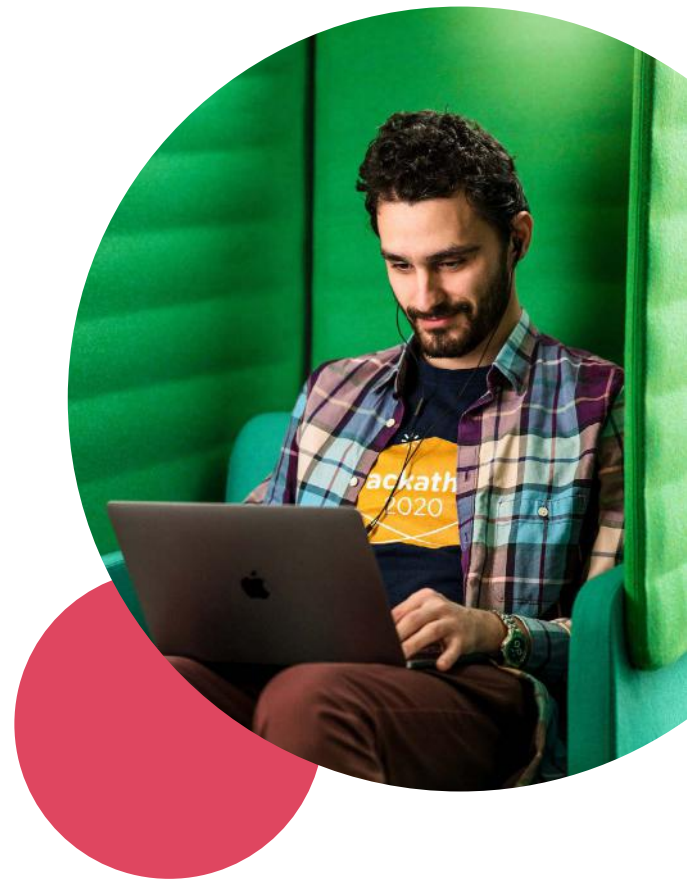
Among employees who do not regularly feel appreciated at work, they would like their workplace to show appreciation for them as a person by offering benefits that are important to them (57%) and recognizing personal milestones (45%). Camaraderie with colleagues (43%), benefits (42%) and opportunities to learn and grow (41%) are also important for fostering a sense of appreciation in the workplace.

You previously indicated that you do not feel appreciated at work. How would you like your workplace to show appreciation for you as a person, beyond your performance or results?



Appreciation looks different to introverts and extroverts

The immediate, high-profile kind of appreciation that hits home with an extrovert will not fly with an introvert. Appreciation is felt more keenly for introverts when they experience camaraderie with teammates (42%) – like a group luncheon to celebrate key milestones – and when they are offered benefits aligned with their needs (44%), such as a wellbeing stipend or flexible work. Especially in groups with more introverts, it's key to keep an eye on longer-term elements like team-building and getting to know employees' needs.



A company of ideals

Engaging employees in your mission, ensuring their wellbeing and developing their loyalty can be a delicate dance. But when you understand what contributes to these goals and what detracts from them, you'll know all the moves.

While some might point out that payroll is an organization's greatest balance sheet expense – and this is objectively true – our people are also our greatest assets in every possible way: from simple daily productivity to spreading positive vibes; from championing your brand to building their career with you over decades, strengthening your collective knowledge and building corporate value.

How you nurture that ideal employee from their first day to their retirement party is within your hands. When you focus on

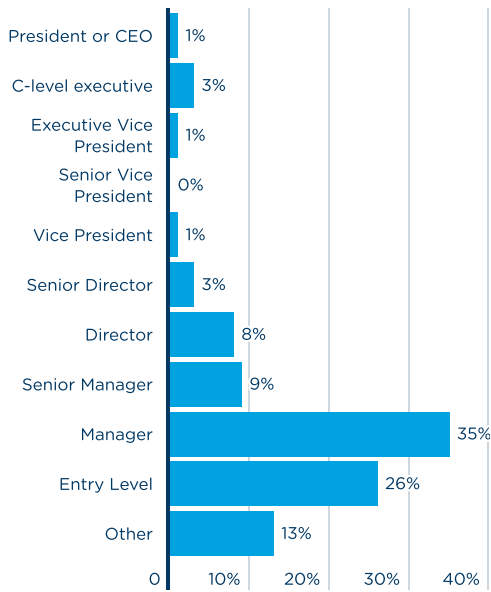
an employee's strengths and foster the spectrum of appreciation, from foundational benefits up through rewards and recognition, you'll succeed in creating a formative, self-actualizing environment for every employee.

This strategy actually saves money in the long run by reducing the cost of attrition and churn. But, more importantly, it's the right thing to do because your teams embody your culture. Without them, your organization is a collection of software systems.

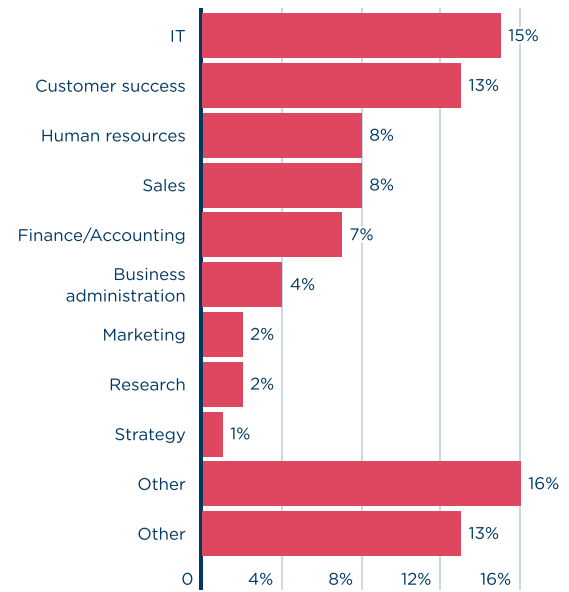
Simply put, when you appreciate your employees, they will appreciate you back.

Survey demographics

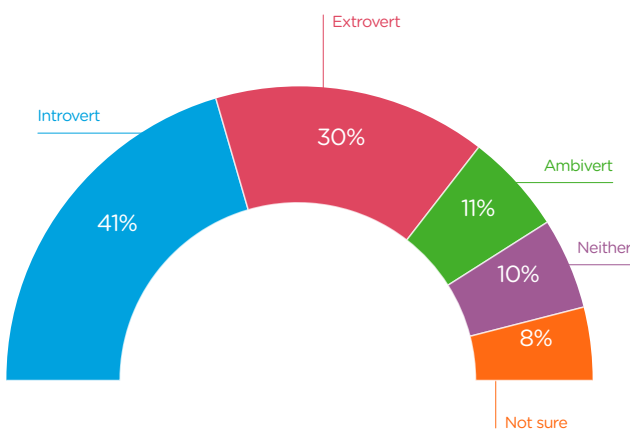
Job level



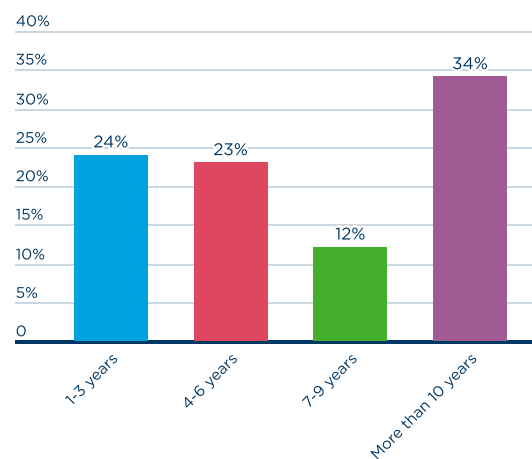
Department



Personality type



Years of experience at current company



About Reward Gateway

Reward Gateway helps companies engage, motivate and retain people – every day, all over the world. Partnering with over 4,000 companies in 23 countries, we empower more than 6.5 million employees to connect, appreciate and support one another to make the world a better place to work. Our unified employee engagement hub provides the best of recognition, reward, surveys, benefits and discounts that support the overall wellbeing of our client’s employees, enriching their talent acquisition, retention and values-driven growth.

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