RewardGateway

the employee engagement people

Your Guide to Choosing a Reward and Recognition Solution

Seven steps to build your employer brand through world-class R&R to attract and retain your people

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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 £37 billion on recognition and reward programmes. 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 programmes. But where are those pounds 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 is 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 programmes – 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 to help attract, engage and retain your top talent. 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 2,000 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 (and reward!),

Kylie Green
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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.

Organisations 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 Australia, the UK and the U.S., more than 90% agree that having an effective recognition and reward programme 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:

|			
42% of employees surveyed report they are either currently looking for a new employer, or will be this year.	More than **one-third of employees** desire reward and recognition as a must-have.	Over **seven in 10** employees want their employers to do more to motivate them.	Less than **43% of employees** surveyed report that they only feel 'somewhat' valued for their contributions.

Sources: 2018-2019, 2020 Reward Gateway research

And if you're a part of the 74% of UK HR professionals surveyed who plan on **increasing their investment 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 and Reward Framework
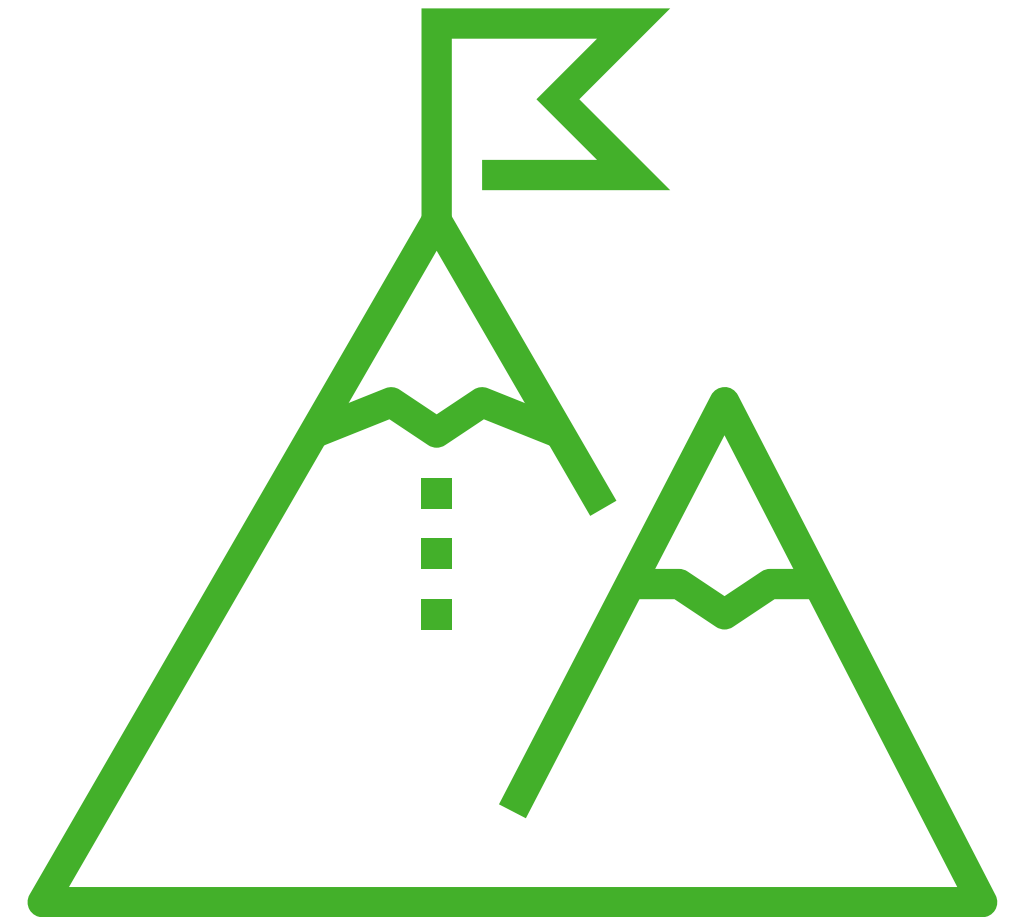
It's worth noting now that's there's no one-size-fits all when it comes to recognition and reward.

'Traditional' recognition and reward focusses 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 recognised in the moment. And with the average tenure of a UK employee sat at less than five years on average how many stay long enough to get that shiny, gold watch?

What we've found is that most people want to be recognised in **more than one way**. That means a balance, not only in *how* you let your people recognise, but also *who* recognises 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 programme 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.
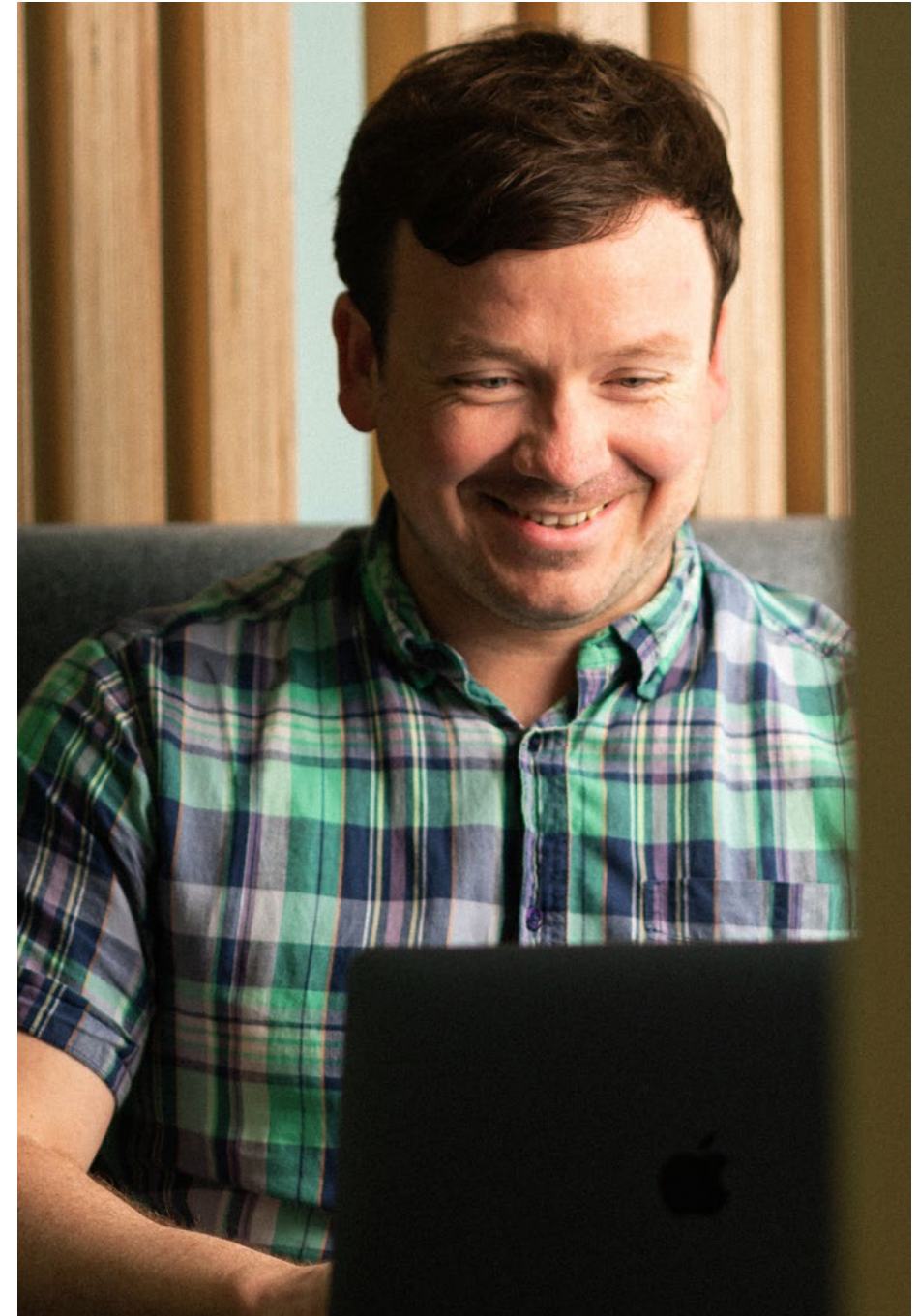
We use the recognition pyramid to incorporate all the essential elements of a great recognition programme, into each company's own unique programme. Every business will have a different strategy, mechanism and way of communicating each tier – it's all about creating your perfect recognition pyramid. The reason it is a pyramid shape is that as you go up the pyramid, the effort and impact increases, which means less employees have the opportunity to be recognised.

A look inside the pyramid:

Celebrations or Game Changers are big-deal recognition moments, like special awards that are aspirational.

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

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

Milestone awards celebrate tenure or special moments, such as birthdays or a group recognition.

Peer to Peer is often at the base of the pyramid. These are your everyday thank yous.

The layers of the Recognition Pyramid
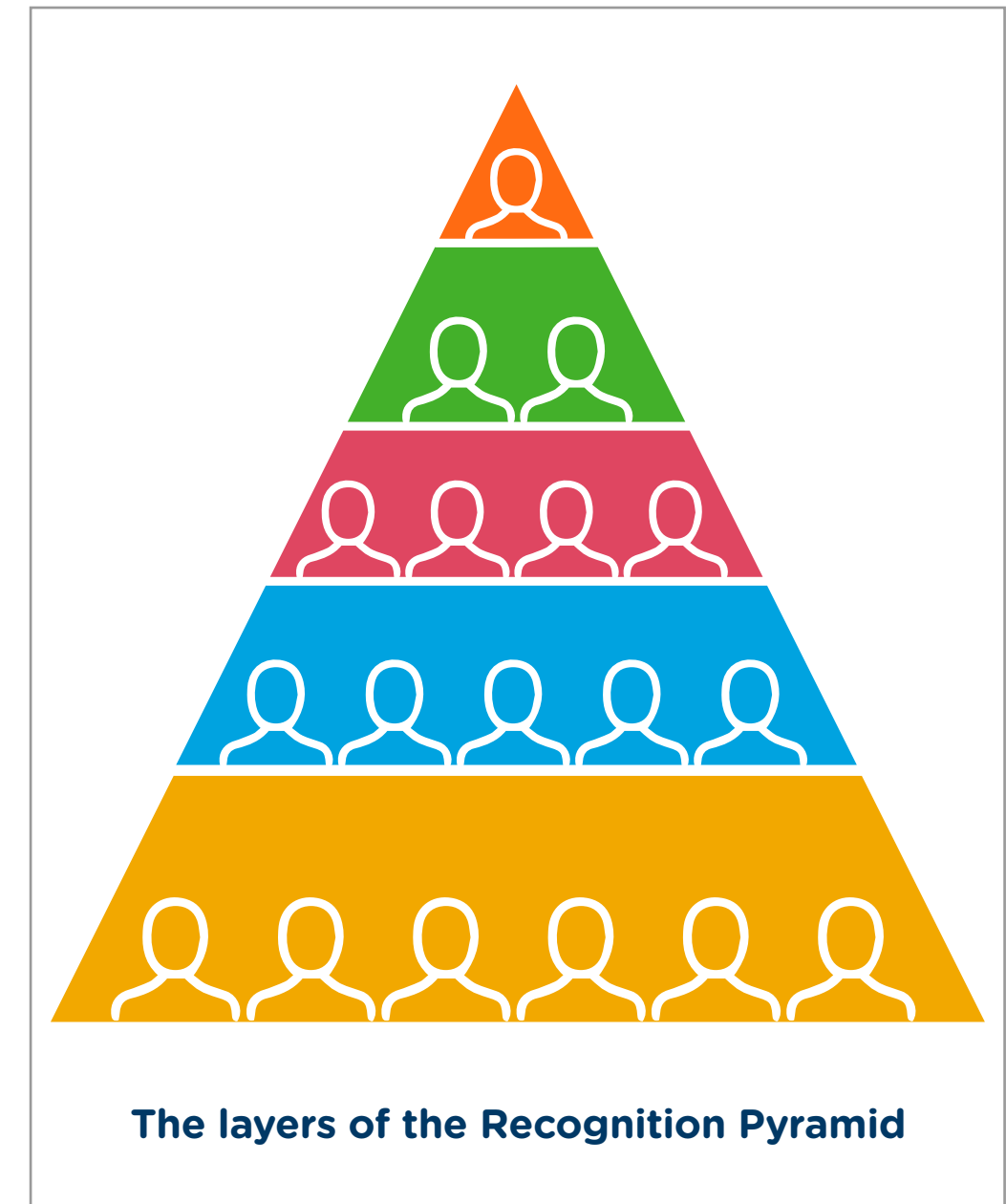
"Failing to embrace continuous recognition, where you recognise in the moment, means you miss the opportunity to motivate your employees and provide visibility of and reinforce good behaviour."

Six questions to narrow down your R&R programme strategy

Knowing the answers to key questions can help you build the right recognition pyramid for your organisation. 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 recognise? Values, performance, tenure?

- How do you recognise 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 entire workforce (in-office, remote, frontline or hybrid?)

Step One:
Make R&R Easy

Choose programmes 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 minimise 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 catalogue	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 recognise great behaviour with a reward that can be redeemed at hundreds of retailers, instantly, along with a public or private note.
Peer-to-peer recognition	Tailored, customised 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.
Reward redemption hub	One, unified place your employees can visit to choose what they want to redeem their reward for.

Step Two:
Make R&R Immediate

Find tools to recognise and reward in the moment
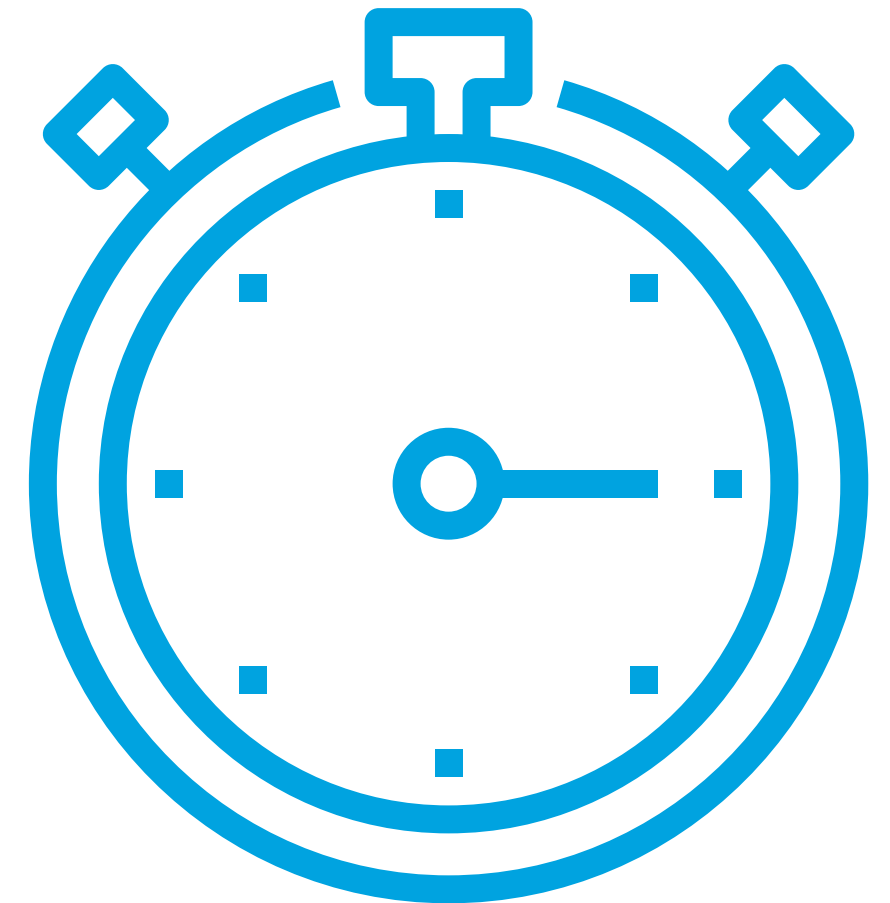
Today, many people expect instant gratification. Gallup research shows that employees want to be recognised for their contribution every seven days. This is partly fuelled by our lifestyle and modern technology – our devices are always on and can give us everything from the latest stock market update 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 recognised. 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 behaviour.

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 behaviours we recognise 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 behaviours and drive positive cultural change.

Empowering employees with the tools to recognise 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 programme, something that's open to everyone and anyone.
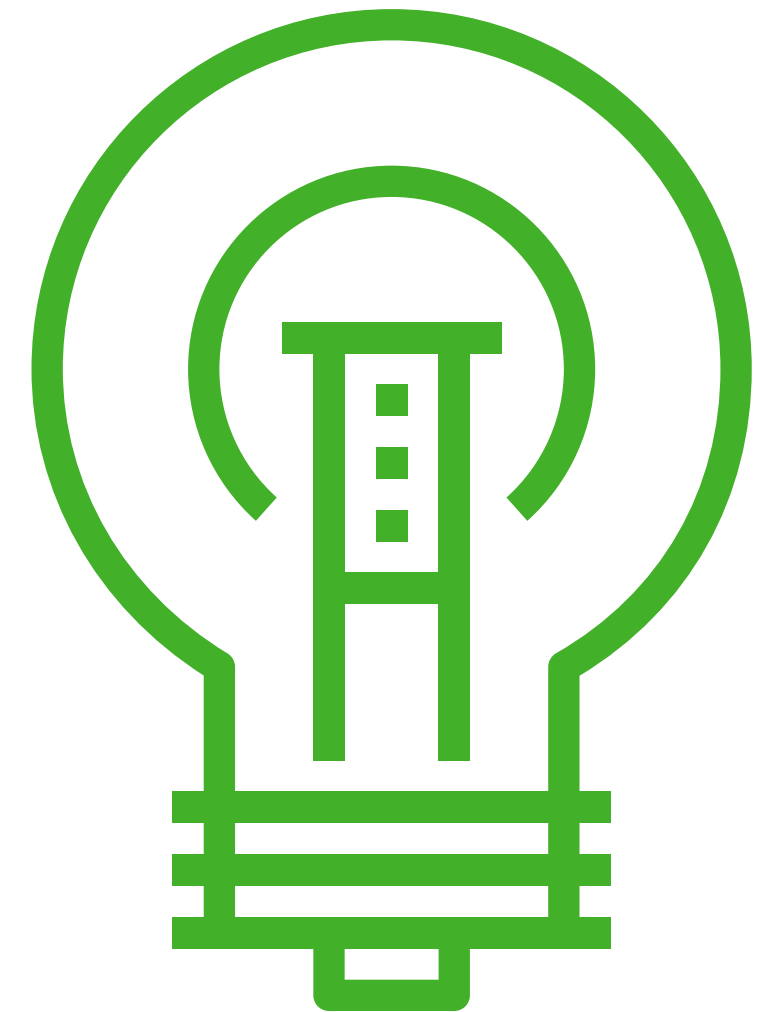
Peer-to-peer recognition

Best practice recognition is multi-directional, continuous, immediate and frequent. Let employees recognise 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 recognised and rewarded across your business leads to double standards, and that can't be good for your culture."

Recognising and rewarding employees under a veil of secrecy just doesn't make sense. 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 recognised over another, and how others can be recognised 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 favouritism, 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.

Publicising 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 programme to drive results

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

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

Step Four: Make R&R Meaningful and Exciting

Give employees an amazing reward experience
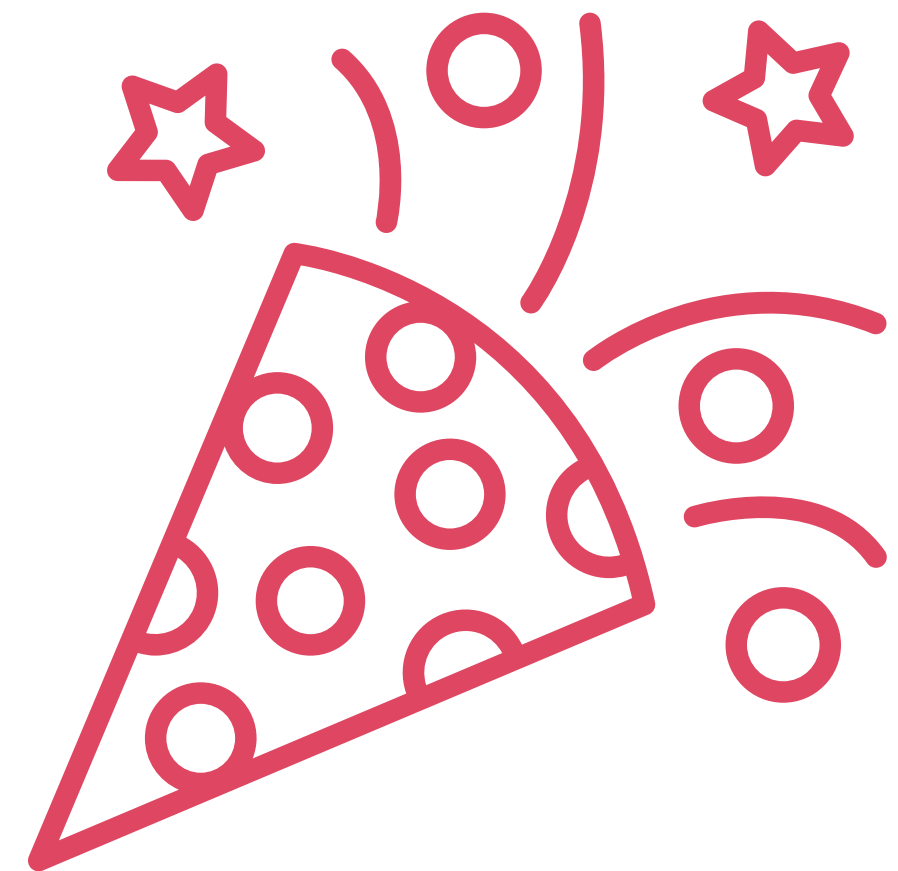
When rewards are impersonal (or offensive!), they can sometimes make the recipient feel worse than if they'd received nothing at all. Consider the plaque collecting dust in your home office with the employee's name or title misspelled, or the token trinket your employee receives that gets lost in desk clutter. 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 post – the list goes on.

This frustration usually comes to light when you find someone 'gaming' the system – maybe you have a point-based reward programme 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 someone 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 put 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 whatever matters most to them, whether that's an on-the-spot eVoucher to their favourite retailer, money towards everyday expenses, custom company awards, Amazon items or experiences.
They can even donate their reward to the charity of their choice!
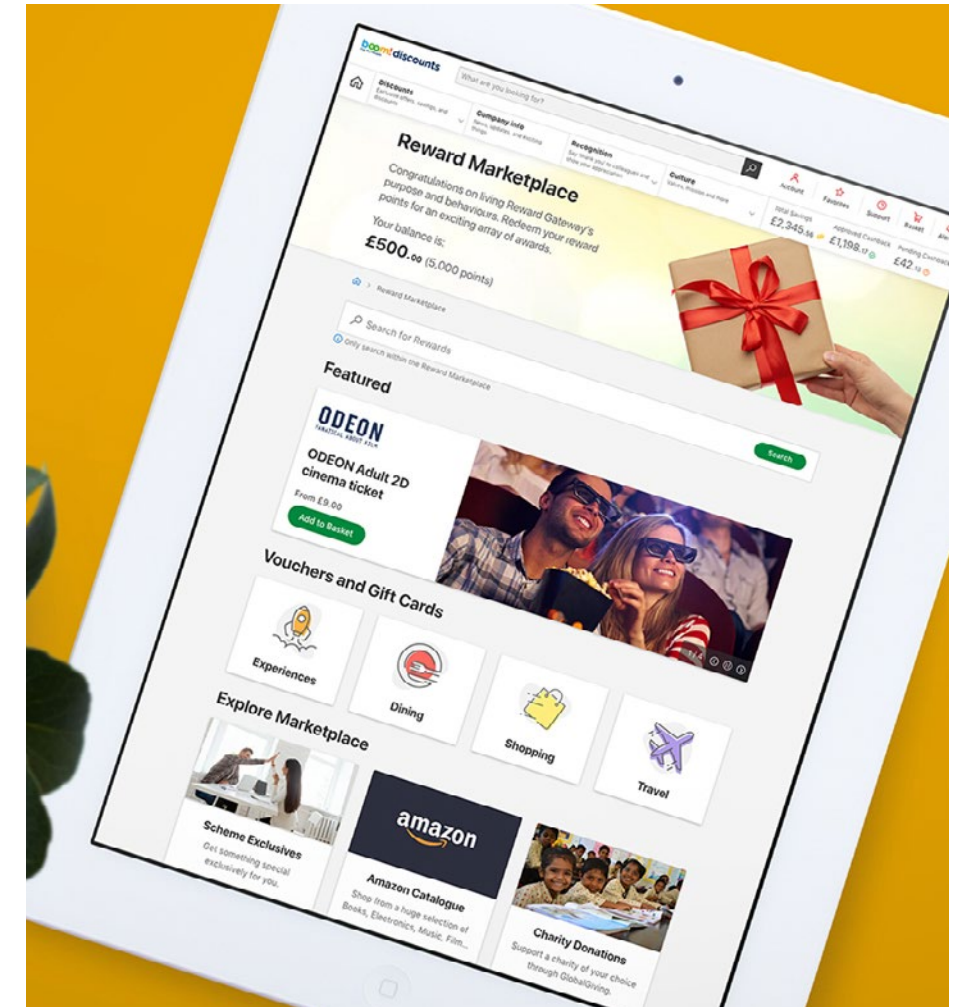
Reward Transparency is a hot topic for People Leaders managing reward budgets. There are a few stakeholders in this, including employees, leaders and programme administrators. It can be a struggle to choose a reward solution that helps satisfy all these audiences!

| Employees say...	Leaders say...	Programme administrators say...
• Reward points seem exciting until I go to redeem them and find my 10,000 points gets me a set of tea towels! • Rewards provided are not relevant or personalised 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 or 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 programme 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.

Step Five: Make R&R Uniquely Yours

Create an experience that enhances your employer brand
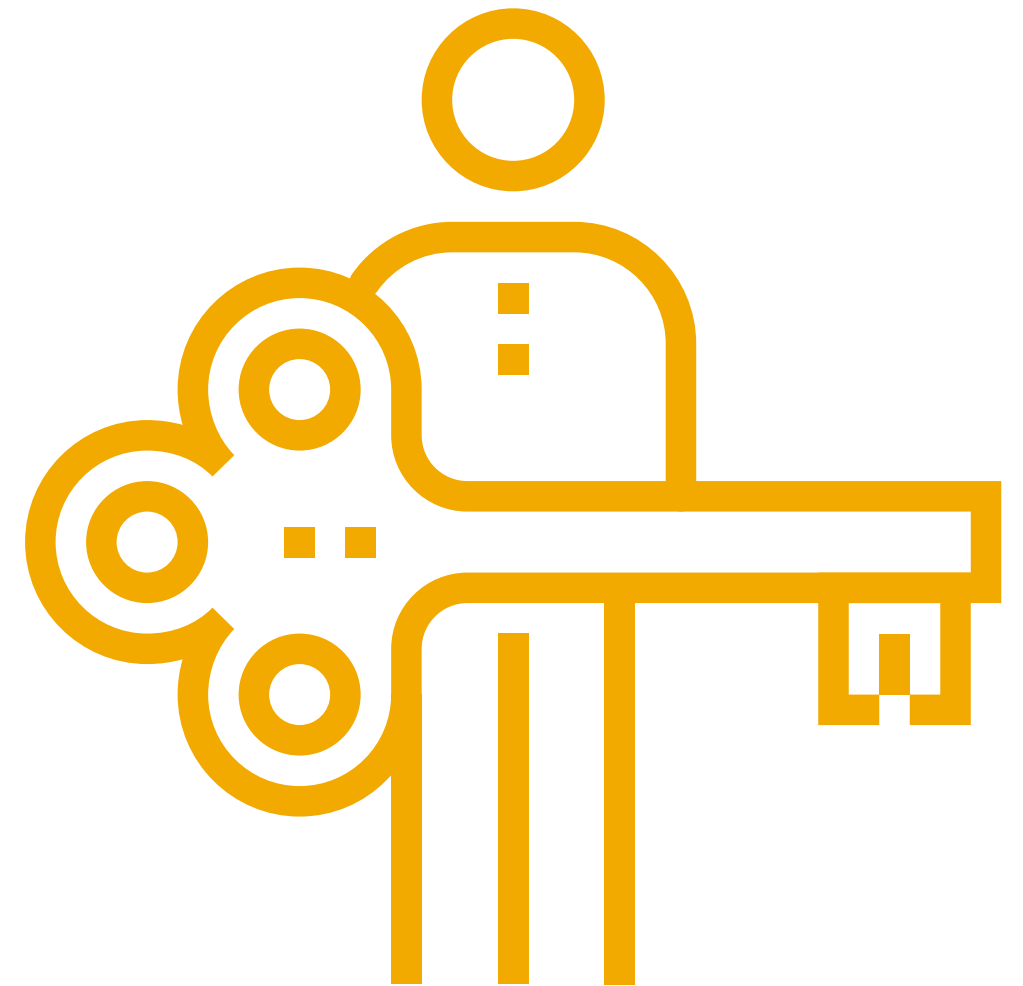
Your recognition programme is an opportunity to create a space that brings your employer brand to life. The colours, images, layout and the language should reflect your company's personality, your current priorities and your company culture - this creates a user experience that gets employees excited to use the programme and revisit it time and time again.
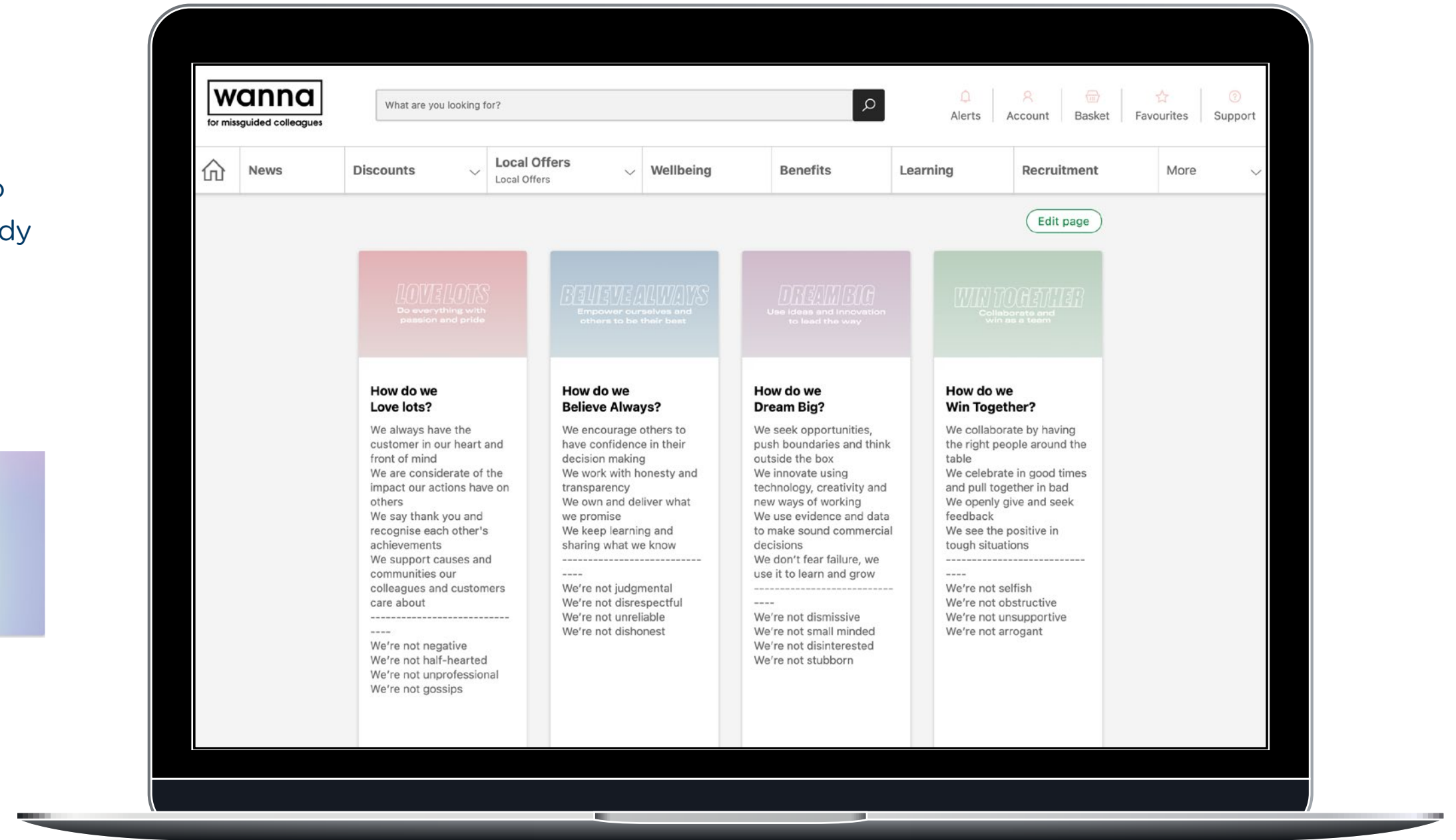
A platform that only has your company logo in the corner just won't cut it anymore. The more your platform feels like your business, the more likely your employees are to engage with it. **Showcasing your employer brand through all the details of your hub builds higher trust and excitement with your people right from launch.**

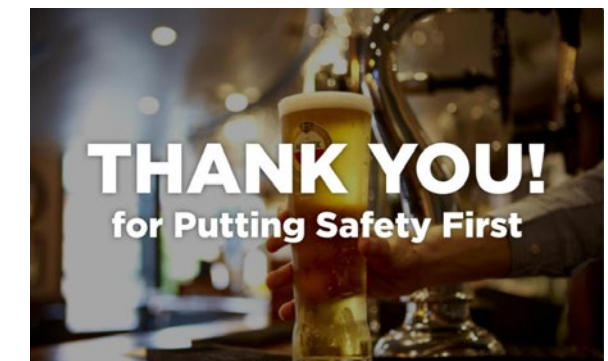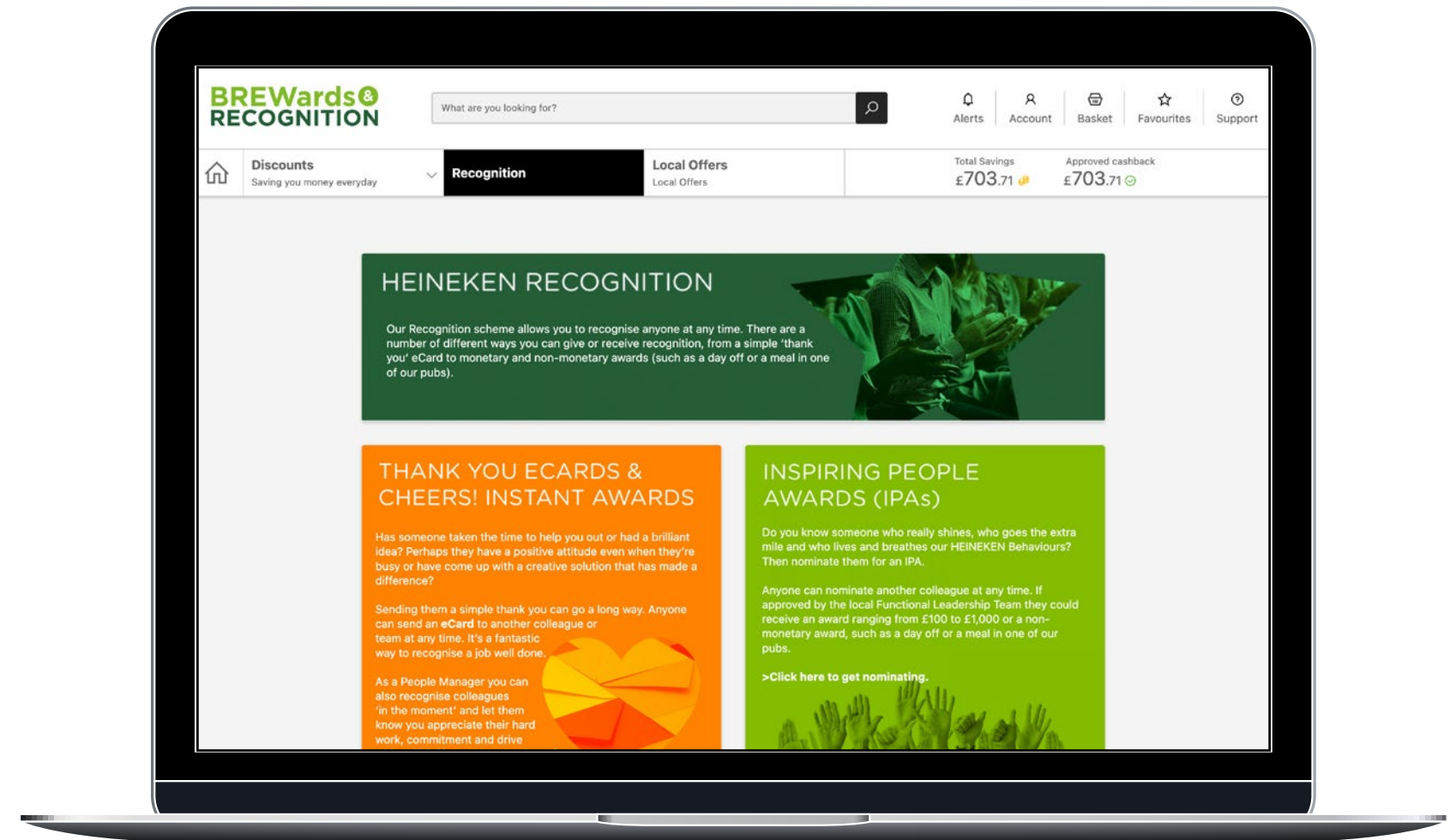Here are some examples of companies who've embraced this.

MISSGUIDED

Missguided brings its values and brand to life through its cultural 'Vibes,' that embody the fashion-forward brand. Recognition initiatives have contributed to reducing turnover by 30% in the organisation.

Sending you a virtual brew
#teammissguided

WORLD KINDNESS DAY AT MISSGUIDED

party like it's your birthday*

wanna
for missguided colleagues

What are you looking for?

Alerts | Account | Basket | Favourites | Support

Home | News | Discounts | Local Offers (Local Offers) | Wellbeing | Benefits | Learning | Recruitment | More

Edit page

LOVE LOTS
Do everything with passion and pride

BELIEVE ALWAYS
Empower ourselves and others to be their best

DREAM BIG
Use ideas and innovation to lead the way

WIN TOGETHER
Collaborate and win as a team

How do we Love lots?

We always have the customer in our heart and front of mind
We are considerate of the impact our actions have on others
We say thank you and recognise each other's achievements
We support causes and communities our colleagues and customers care about

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We're not negative
We're not half-hearted
We're not unprofessional
We're not gossips

How do we Believe Always?

We encourage others to have confidence in their decision making
We work with honesty and transparency
We own and deliver what we promise
We keep learning and sharing what we know

We're not judgmental
We're not disrespectful
We're not unreliable
We're not dishonest

How do we Dream Big?

We seek opportunities, push boundaries and think outside the box
We innovate using technology, creativity and new ways of working
We use evidence and data to make sound commercial decisions
We don't fear failure, we use it to learn and grow

We're not dismissive
We're not small minded
We're not disinterested
We're not stubborn

How do we Win Together?

We collaborate by having the right people around the table
We celebrate in good times and pull together in bad
We openly give and seek feedback
We see the positive in tough situations

We're not selfish
We're not obstructive
We're not unsupportive
We're not arrogant

Heineken launched its recognition and reward platform to make recognition more regular and meaningful to its employees, adding a diverse range of awards to encourage values-led behaviour. The result? More than half of the workforce has now been recognised and rewarded through the hub BREWards.

THALES

Thales researches, develops, manufactures and supplies technology within the Aerospace & Defense sectors. With a spread out, multi-generational workforce, finding a recognition and reward programme that appealed to all demographics was key. To help, the team implemented a branded recognition hub with multiple layers of recognition and reward, including peer-to-peer eCards, monetary awards and award nominations with special prizes.

WILD CARD

TAKING CONTROL

ABOVE AND BEYOND

CONGRATULATIONS ON YOUR WORK ANNIVERSARY
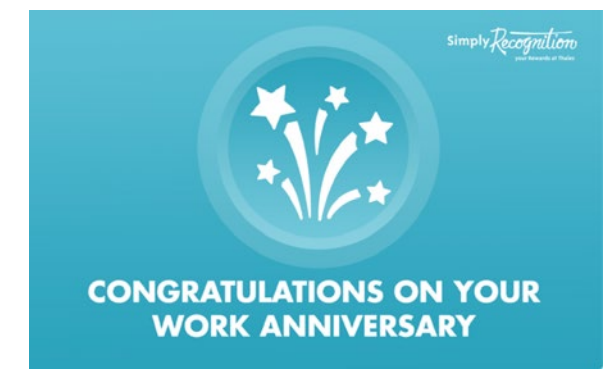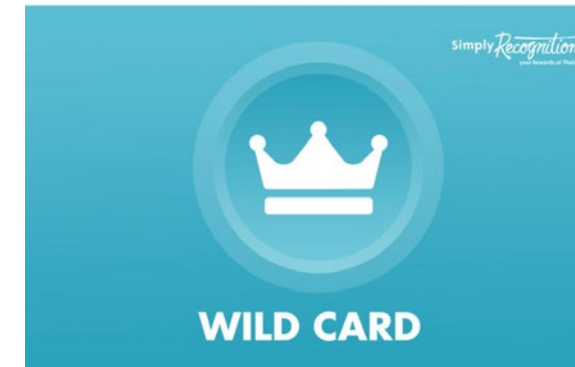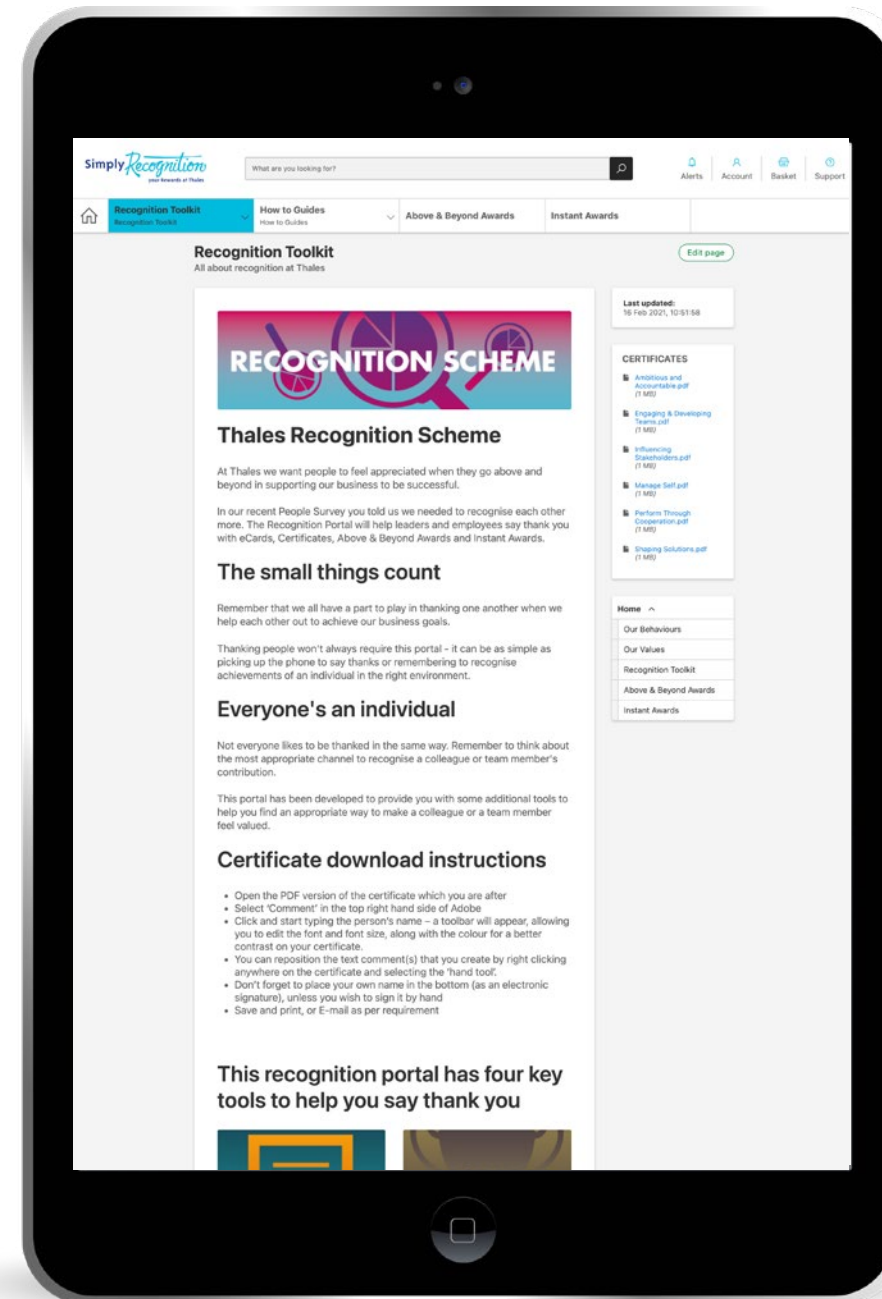
All these companies have very different cultures and they've used their programme as an opportunity to showcase that, and it gets their people excited to regularly log in.

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 customisation

Work with the Reward Gateway Design Team to create eCards and a hub that reflect *your* brand, *your* goals. Whether building a programme based on values or behaviours, recognising 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 programme... 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 appreciation, 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, 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 programme — use them as your champions to 'walk the walk' and teach them how to strategically recognise 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 recognised 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:

Listen

The HR team at a manufacturing organisation puts out a poll, asking employees if they feel connected to the company values. The team then analyses the data and realises that the poll responses have decreased by 15%, showing that employees are feeling less connected.

Tell us!

Do you feel connected to our values?

Yes = 65%
No = 20%
No answer = 15%
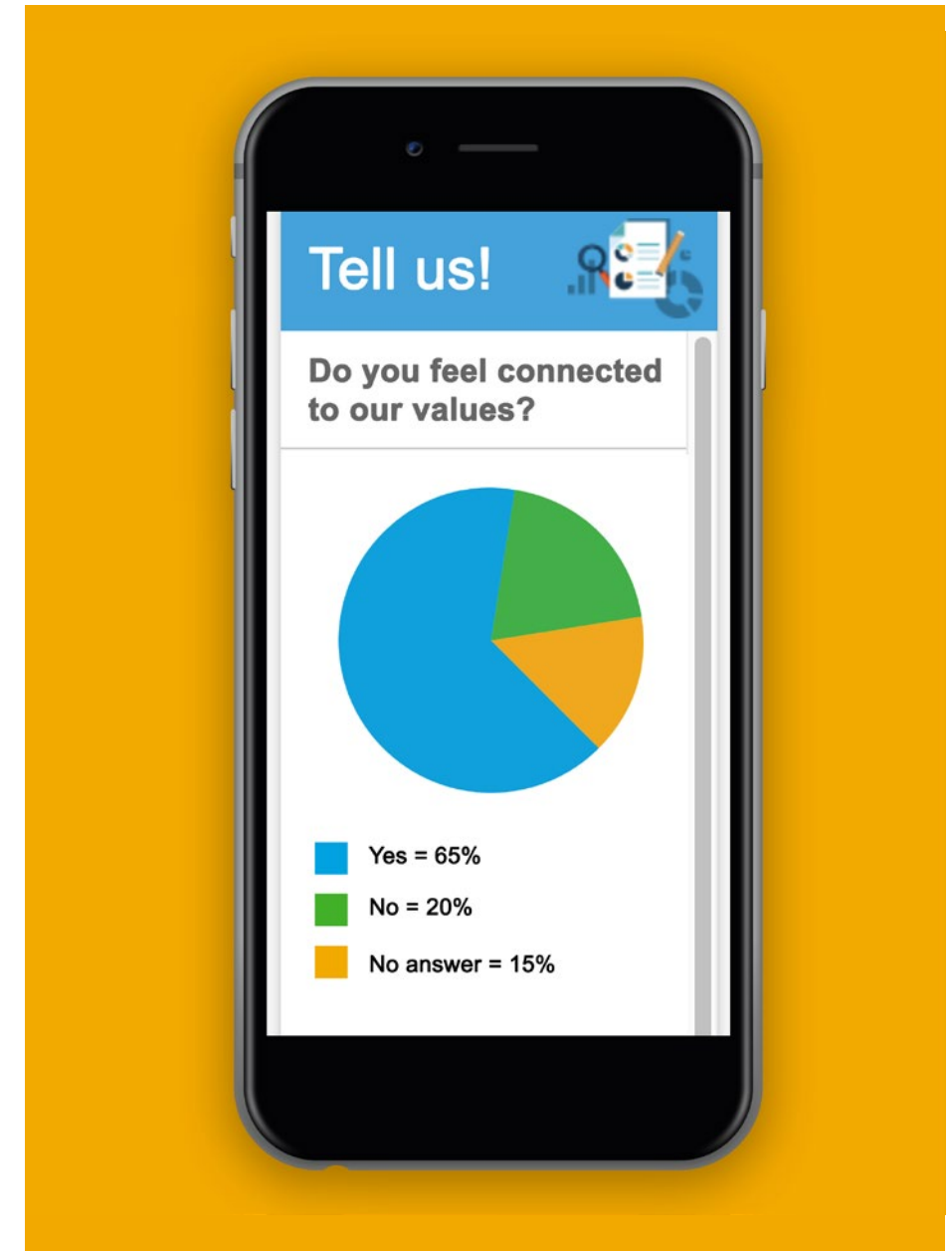
Announce

Previously, the organisation had its company values on posters around its manufacturing plants, but with some employees working remotely and others on-site, they needed to digitise the values to connect everyone to them. The team decided to announce a new section of eCards that will be hosted on its employee engagement platform, alongside greetings-based eCards and monetary awards.
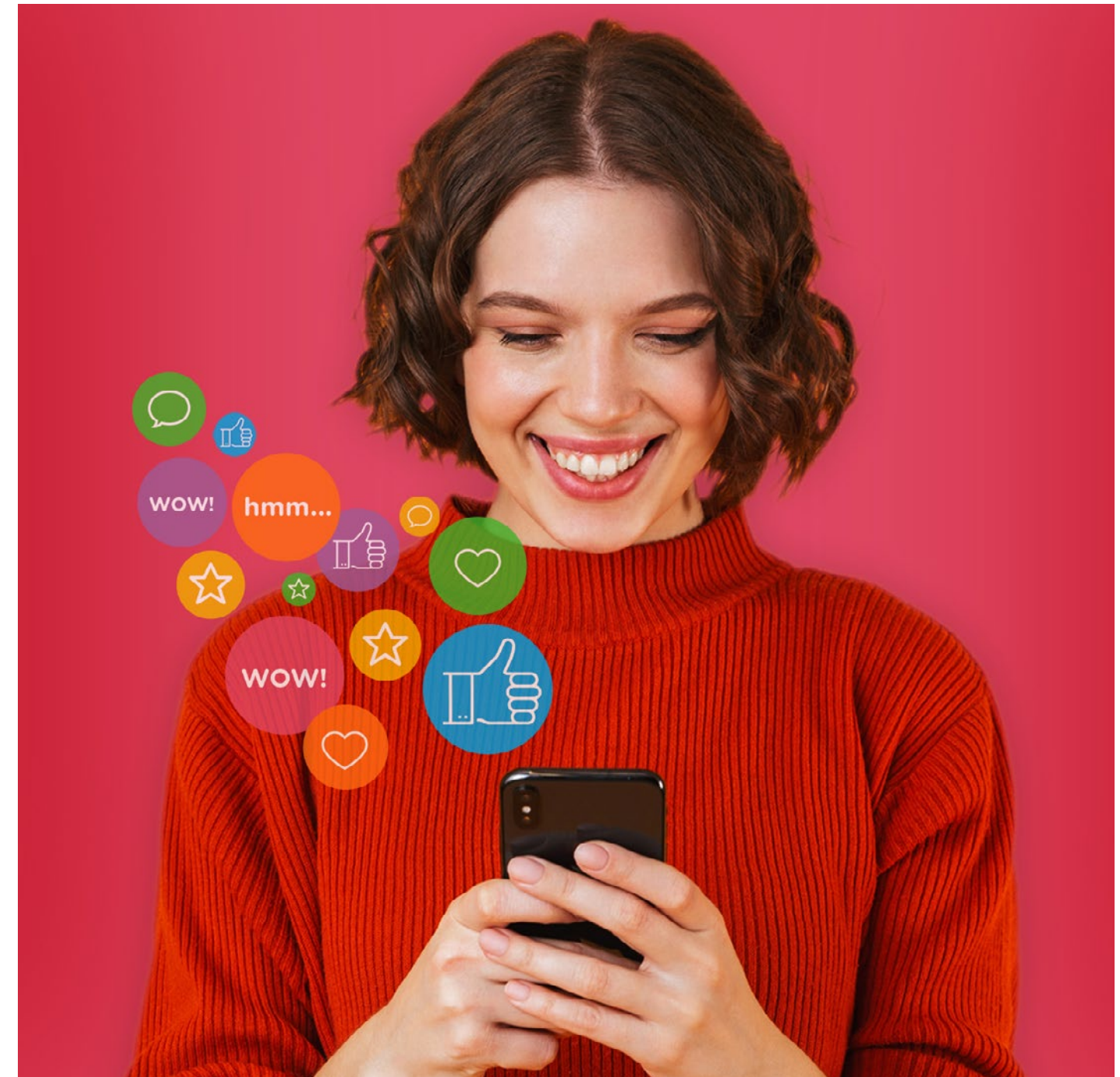
Engage

Both frontline and remote workers receive an alert on their mobiles, letting them know there's a new announcement on the company-wide blog. This announcement is written by the HR Director and tells them about the new values-based eCards. Employees then react to the post and add comments, expressing their excitement for more values-based recognition.

**This is the announcement to all employees, available on any device at any time.**
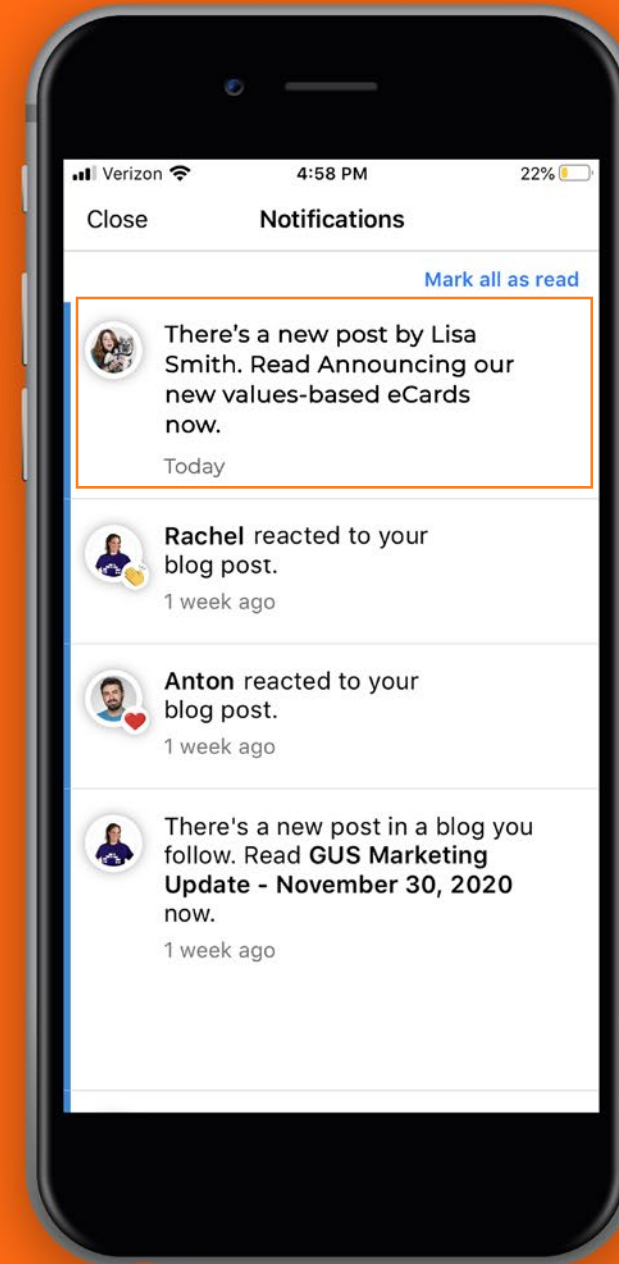
Recognise

On the same day the eCards are released, a manager in the manufacturing plant recognises Mary, a frontline employee, for alerting her shift manager that they were out of critical safety equipment, which followed one of the company values on practicing safe behaviours. In the eCard, the manager explained how flagging the lack of inventory early on led to a faster replenishment and created a safer work environment, which was shared on the social recognition wall for the entire company to see.
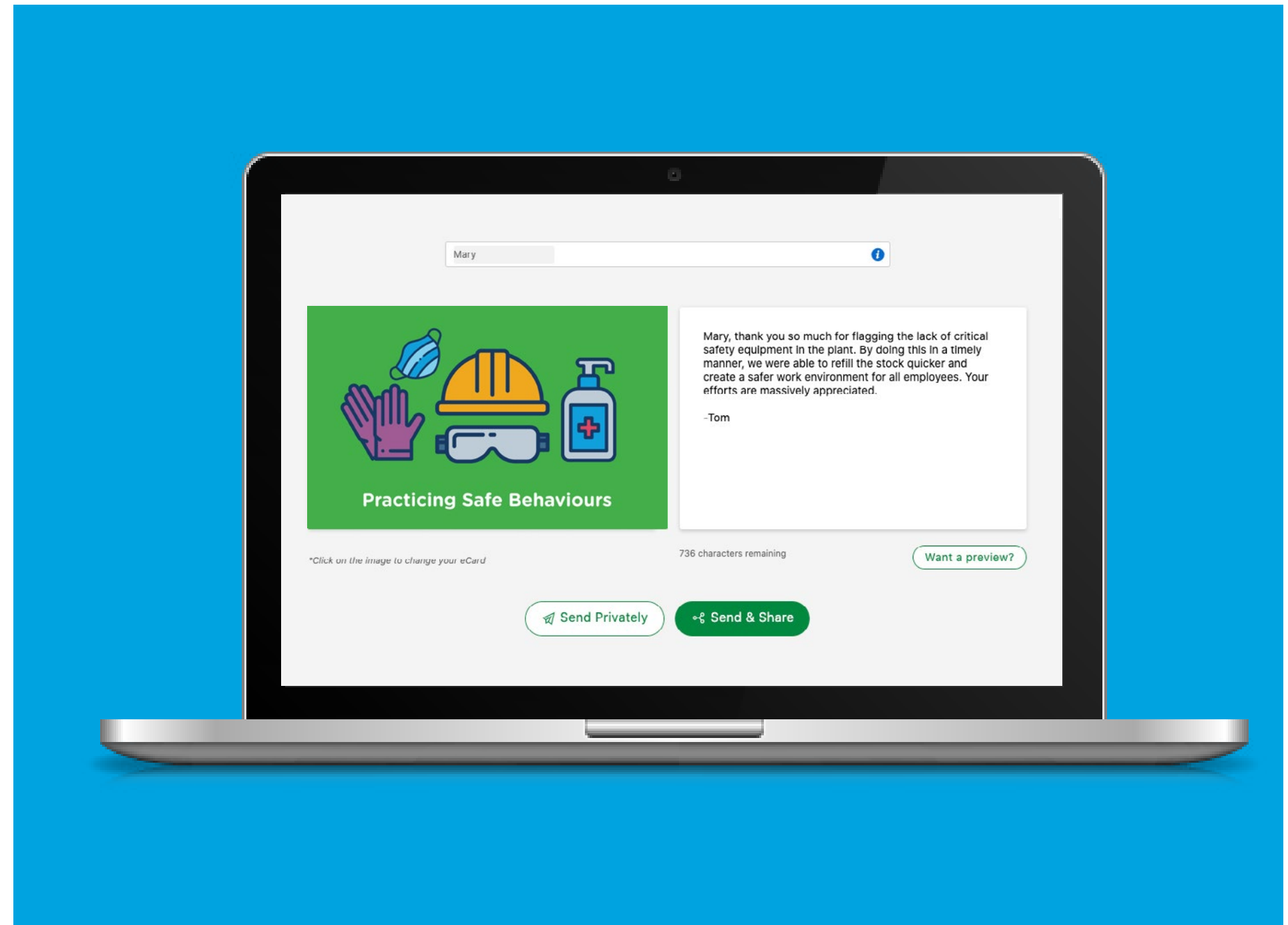
Repeat!

Mike, who's new to the company and works in a different location, sees the values-based eCard on the social wall and adds his thoughts and reactions to continue the conversation. This also lets Mike know what desired behaviour at the organisation looks like so he's more prepared to recognise a colleague in the future.

Here's an example of the social recognition wall – a feed where everyone in the company can see moments of recognition across all locations.
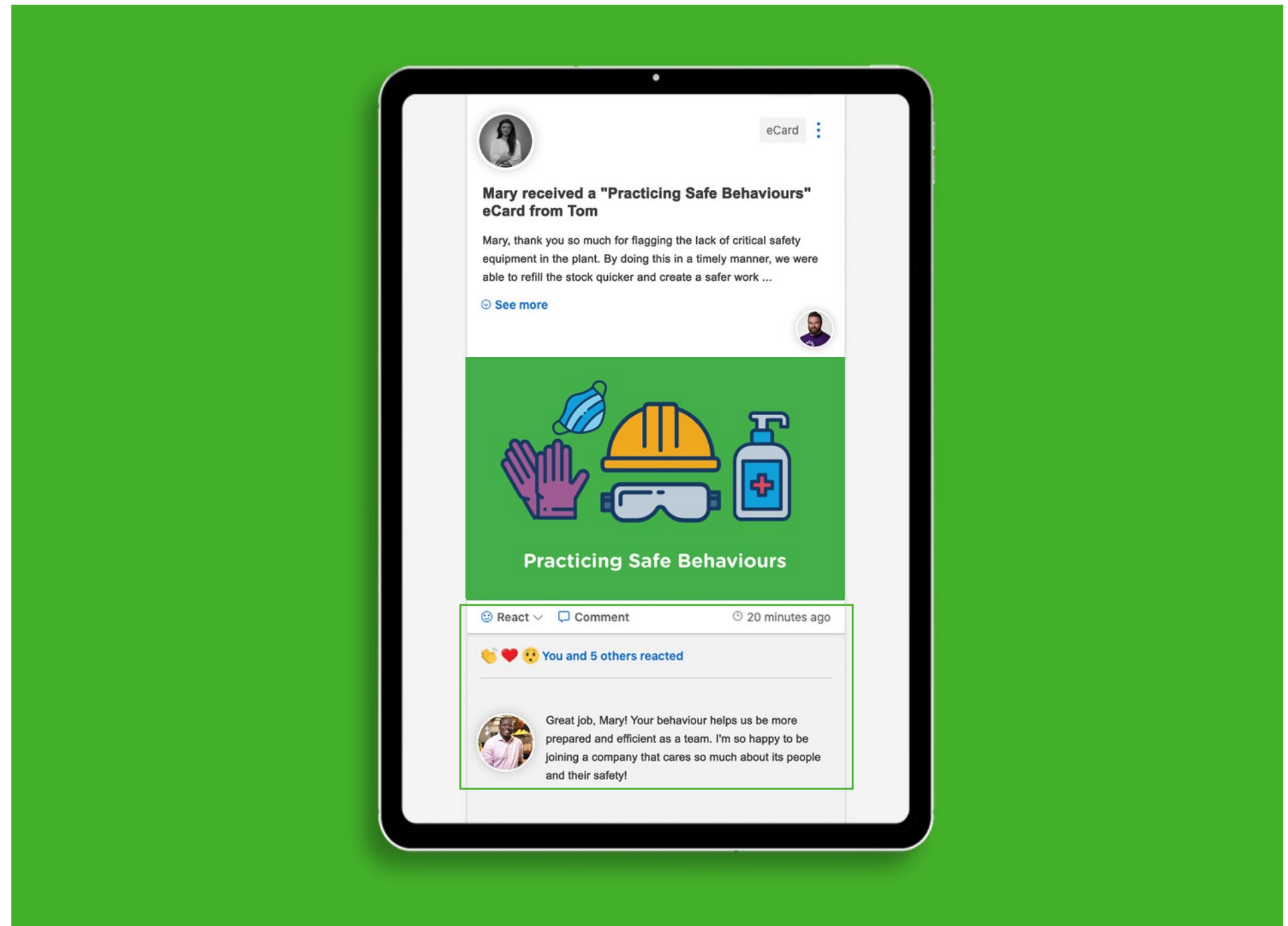
Recognition, communications and benefits lead to higher engagement

At Reward Gateway integrating employee benefits into your recognition platform provides a 'secret sauce' to drive high adoption levels. Employees accessing personal benefits from 900+ leading retailers will be reminded to recognise a colleague who has lived your values. And when your employees can redeem their reward on the spot in whatever way they desire? That's what it looks like to build recognition and reward into your day-to-day work.
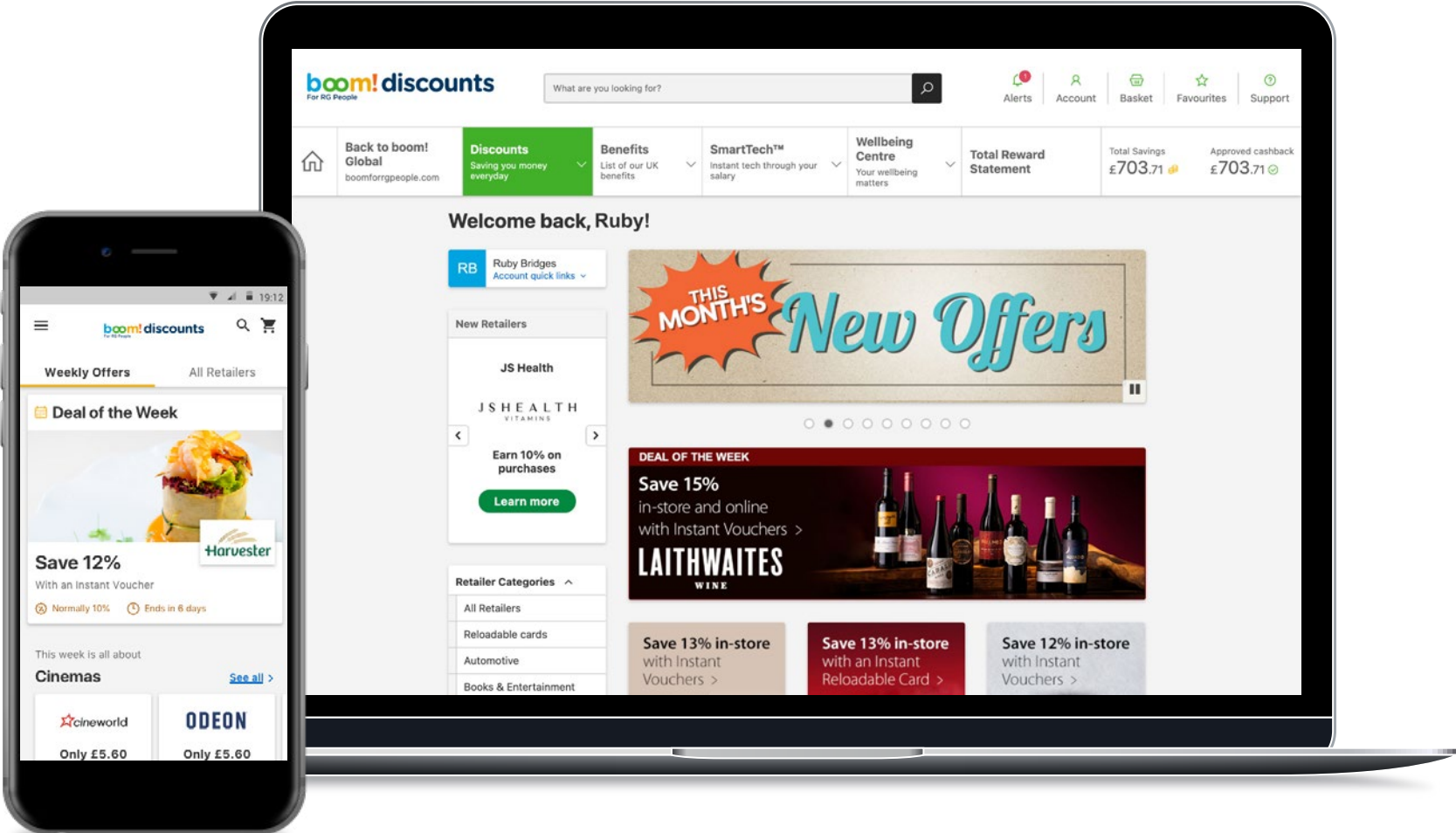
Step Seven: Find a Partner, not a Vendor

Look for an expert partner to evolve with your strategy
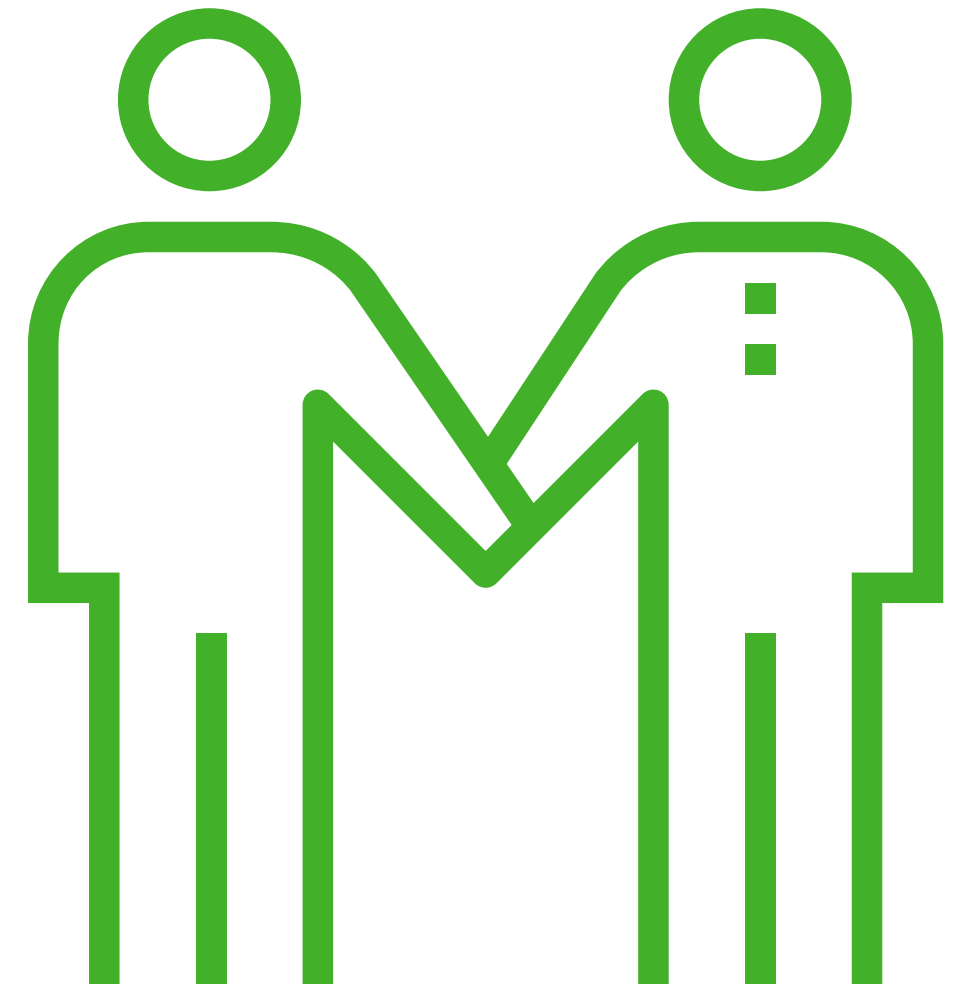
Running an R&R programme usually takes more time than we ever think it will. Sometimes the paperwork and manual handling alone is so overwhelming that I often find HR professionals wanting to throw it in the 'too hard' basket.

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 centre 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 programme that's exciting, but will support you in implementing the recognition pyramid framework, communicating with your people and understanding programme 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 programmes in place that get results.
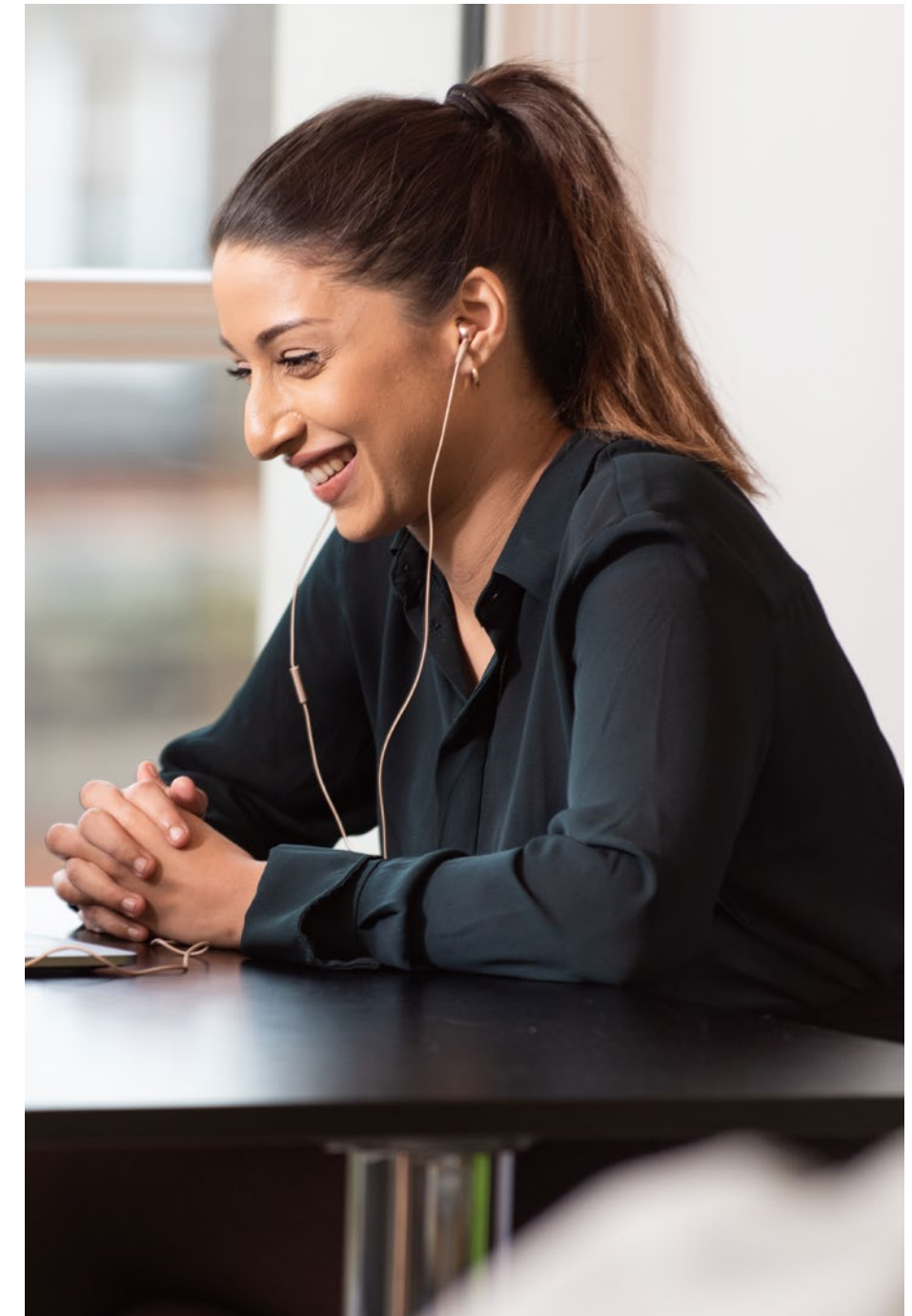
The Reward Gateway Recognition and Reward Solution

Customise your own recognition and reward programme with:

Tailored eCards

Automated reward and recognition

Instant award delivery
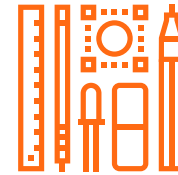
Peer-to-peer nominations
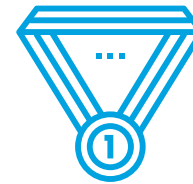
Customised service awards

Branded mobile app

Millions of redemption options:

Digital gift cards
Millions of products, services and experiences to suit every lifestyle

Non-Monetary Awards
Get creative with non-monetary rewards like the front parking spot, an extra day of holiday or lunch with the CEO!

Catalogue Merchandise
Access to thousands of name-brand items or to company-branded gifts

Physical Catalogue from Amazon
Access millions of products, all delivered by Amazon's world-class fulfilment services

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 reward, alongside our other products, are powered by a centralised hub tailored to your organisation, giving your employees better access to employee recognition tools.

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

Contact our Consultants:
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