My Little Book of Reward & Recognition

How to win at R&R: A guide for HRDs & Reward Leaders

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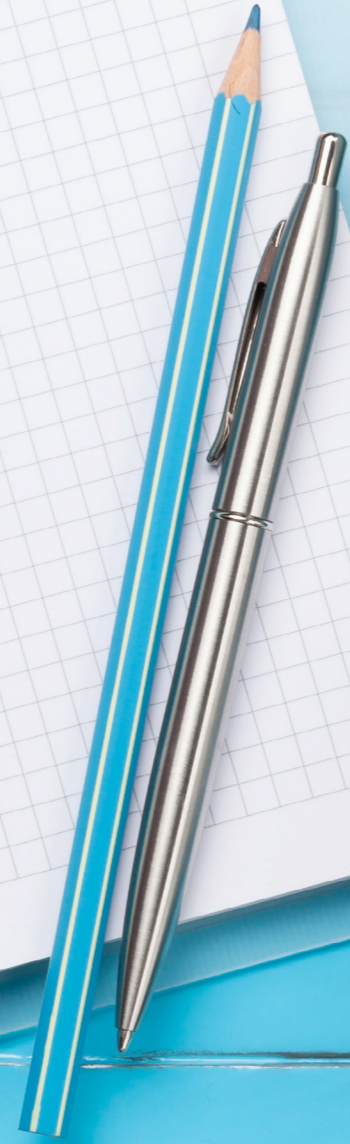
Welcome

One of the key measures of a successful business' culture is how people treat one another in the workplace. Recent research from Gartner* revealed that a culture of appreciation is something that job seekers are actively searching for – and when they find it, they want to stay. HRDs and Reward Directors are in the perfect position to build a work environment that celebrates its people – recognising them for their efforts, rewarding hard work and achievements, and encouraging employees to express gratitude. It also keeps the leadership team in touch with the workforce – forging stronger links and creating a mutual respect between management and employees.

With figures for Job Hopping on the rise and survey after survey showing disengaged workers and recruiters struggling to fill vacancies, there are some simple steps you can take to start building a culture that your people can be proud of.

At My Staff Shop, we understand culture. As an employee-owned trust, our team works hard to create a workplace that we enjoy turning up to each day, and we pass on this passion through our work with our clients and their employees. We understand the importance of recognition and how to foster better communications between managers and teams. Also, as a dispersed workforce, we know how tough it can be to engage remote staff, those working on the road, or those keeping irregular work hours

It's never too late to show your people how integral they are to your business. Creating a robust R&R strategy is about crafting the best possible employee value proposition (EVP). It will improve the employee experience across the board, engage and motivate a workforce that feels valued and appreciated, and boost productivity. A win-win for everyone!

The Little Book of Reward & Recognition aims to inform and educate about all aspects of R&R and provide an in-depth look at how HRDs and Reward Directors can put solutions in place within their own organisations to build a culture where employees feel valued, trusted and find meaning in their jobs.

We hope you enjoy reading this and find it useful in helping you create – or improve – your own R&R initiatives and, ultimately, future proof your business.

David Cartlidge, Group CEO, My Staff Shop

Gartner, Future of Work Trends Research, 2023

Reward & Recognition in the workplace - why do we need it?

An evolving workplace is transforming employee engagement

There is no denying that the modern workplace looks very different to 10 years ago. Within a decade we have seen hybrid and remote working becoming the norm, flexible hours ranking as a complete deal-breaker for many jobseekers, and robust EDI policies being drafted across the board for marginalised groups.

Sustainable practices are now an integral part of the employer offering, transparency is demanded across all areas of business, and a real focus has been put on improving the culture for employees.

One thing that hasn't changed however, is the human desire for reward and recognition. No matter how flexible our working lives have become, and how much we manage to strike that much desired work/life balance, feeling appreciated has been proven time and again to help increase employee engagement and boost motivation.

The Great Resignation

A direct result of the global pandemic, this trend has had far-reaching consequences that no one could really predict. Following furloughing and the necessity for remote working, people were forced to reevaluate what was important to them and how they prefer to work. There has been a general acknowledgement that striking a work/life balance is achievable and can give them the life they want.

This has affected how companies operate and how people professionals are developing workplace policy and organisational culture to accommodate these new working practices.

How has the workplace changed?

The pandemic caused an 'industrial evolution'; impacting all areas of our lives and revolutionising working practices. Emergent technology has facilitated increased globalisation and remote working across many areas of the professional world. This, in turn, has had the effect of bringing together employees who would otherwise be separated by thousands of miles of ocean, at the simple swipe of a screen.

These newfound working models bring with them cultural considerations too – putting the employee experience firmly in the spotlight.

HR certainly loves a trend, but terms like 'Great Resignation', 'Quiet Quitting', and 'Job Hopping' have been coined because of their ubiquitousness and the negative effect that they are having on the global labour market.

It is these trends that are causing companies to work even harder to retain and recruit people. They do, however, all stem from specific issues which can be fixed. The secret is knowing how to identify the pain points, and put measures in place that will help to improve company culture and create a more well-rounded employee experience. It isn't necessarily as hard as it sounds. Let's have a look at each of these trends individually.

How has this affected employers and employees?

Skills shortages and vacant roles are a thorn in the side of organisations. Hybrid working and strategic and generous benefits offerings are contributing to this. As people leave roles to pursue other passions or demand organisations provide flexible working options, employers have had to step up their efforts in order to retain their top-performers.

As demand for remote-only roles and flexible hours increases, organisations are having to rethink their traditional approaches to recruitment and retention to accommodate these new demands. There is no longer room for lacklustre employee benefits offerings. People know what they want, and expect, from an employer.

There is no ignoring the costs associated with recruitment, onboarding, and training, all of which are a result of this trend. Similarly, employers are recognising the importance of making employee wellbeing a more prominent feature in their Employee Value Proposition (EVP). This includes addressing burnout, providing mental health support, and creating a positive work environment.

Job Hopping

Job Hopping refers to the pattern of frequently changing jobs or employers within a relatively short period of time. Typically involves staying in a job for less than two years before moving on to another.

This has a knock-on effect on the cost of hiring and training new employees as the company has to invest time and resources into finding replacements and getting them up to speed.

How has this affected employers and employees?

Perhaps one of the biggest impacts is on company culture. Job Hopping can disrupt the status quo by creating a lack of continuity and instability within teams.

It may also demotivate long-term employees who see their colleagues frequently leaving. This, in turn, breeds lower employee loyalty as there is a lack of long-term investment in the company's success.

Knowledge drain is another issue. When employees leave, they take valuable skills, knowledge, and expertise with them. This can be detrimental to the organisation, especially if key employees frequently job hop.

Finally, Job Hopping promotes a negative perception of your business and of the employee. Consistent role-swapping on a CV can raise concerns about the candidate's commitment, reliability, and ability to work well in a team. This can lead to employers being less inclined to hire these people.

Quiet Quitting

'Quiet Quitting' is a term used to describe a phenomenon in the workplace where employees disengage from their jobs and reduce their efforts and productivity without overtly resigning or expressing their dissatisfaction. Instead of openly quitting, they become passive and disinterested, leading to a decline in their performance and overall contribution to the organisation.

How has this affected employers and employees?

There are so many ways that Quiet Quitting has been detrimental to workplaces. From damaging the brand and affecting morale to impacting innovation and creativity while perpetuating the cycle of disengagement. Productivity is reduced which affects revenue generation. Add to this the high costs of re-hiring for a role and it's easy to see how Quiet Quitting can have an insidious effect on the entire business.

It also impacts recruitment and retention as it can make it difficult to identify employees who are unsatisfied and at risk of leaving. This lack of awareness may lead to difficulties in retaining valuable talent and the loss of experienced employees.

When employees quietly quit and HR fails to address the underlying issues, it can damage brand reputation and deter potential candidates from applying for job openings and may lead to difficulties in attracting top talent. Similarly when employees lose interest in their work and the company, they are less likely to contribute innovative ideas and creative solutions to challenges.

FACT FIX

LinkedIn, 2022

Employees who stay with a company for more than two years are 12 times more likely to be viewed as high-performers compared to those who change jobs frequently.

Work Institute's 2020 Retention Report

30.2% of employees who quit their jobs cited career development opportunities as a reason for leaving.

Mission & Culture Survey 2019, Glassdoor

A study by Glassdoor Economic Research found that longer tenures were associated with higher salaries for many job titles. Employees who stayed in their roles for longer durations were often rewarded with higher pay increases and promotions.

The Work Institute's 2021 Retention Report

The average cost of turnover per employee is approximately 33% of that employee's salary.

Recognition Rocks!

A culture of appreciation is the backbone of employee engagement

Employee recognition is the open acknowledgement and praise of employee behaviour or achievements to express appreciation, motivate employees, and reinforce desired behaviours. If you regularly give out authentic, deserved recognition to your people you'll be that much closer to unlocking their full potential.

What is the importance of recognition?

Recognition is a powerful feedback tool. When employees feel valued, they're more engaged, motivated, and likely to go the extra mile for their company. Organisations with formal employee recognition programmes have 31% less voluntary turnover than organisations that don't. What's more, they're twelve times more likely to have strong business outcomes. If leaders want to drive employee, team, and business success, they need to prioritise employee recognition.

The connection between employee recognition and engagement

Aspects such as performance, goals, recognition, development and manager effectiveness are all inextricably linked to employee engagement – with recognition in particular being one of the top drivers. In fact, research found that when employees believe they will be recognised, they are 2.7 times more likely to be highly engaged.

1 **Showcase goal achievement**

A simple 'thank you' is often all it takes to show appreciation to employees. People want to know that their hard work and achievements aren't going unnoticed. When a person achieves a goal -– personal or work-related – they feel a rush of achievement. That good feeling is amplified when others recognise and acknowledge the achievement as well.

2 **Motivate effort**

Recognition can be tied to more than just performance. Celebrate that extra effort when employees go above and beyond, as this helps them develop emotional connections to the work-place – and that fuels future performance.

3 **Reinforce values**

Behaviours and actions that are recognised more frequently show employees what's valued by managers, leaders, and the organisation as a whole. When employees receive recognition for adopting a behaviour aligned with company values, they're likely to continue and set a positive example for others.

? DID YOU KNOW?

Organisations with strong recognition programmes have a 31% lower voluntary turnover rate compared to those with weak or no recognition programmes.

Essential Guide to Building a Recognition Program, OC Tanner Institute, 2022

Employees who receive regular recognition and praise are 7.5 times more likely to say they are satisfied with their jobs.

Gallup

83% of HR professionals believe that employee recognition programmes positively impact employee engagement and organisational performance.

Society for Human Resource Management (SHRM)

The psychology behind Recognition

Understand how people work to help achieve your business outcomes

Before we deep-dive into the types of R&R that are available for employers to use to help build engagement, boost morale and improve productivity (and who doesn't want to know that?) let's look at the science behind the strategies. Understanding why we behave a certain way helps to build the business case for a robust R&R strategy – and the psychology underpins everything.

3 R&R theories you need to know

There are many behavioural science and psychology theories out there that can apply to the improvement of the employee experience. Even though many of these were written decades ago, the dynamic nature of the labour market, generational demands, and cultural and socio-economic factors means that they remain as relevant today as they did when they were first inked.

1

Expectancy Theory

This theory may have been popularised in the 1960s when it was first hypothesised by Victor Vroom, but it remains more pertinent than ever. Employers are applying its principles to their total rewards strategy in order to organically drive motivation and boost productivity. Referred to as a motivational theory, it is driven by three basic factors: Expectancy – or the inherent belief that your effort will lead to better performance; Instrumentality – referring to the trust that if you perform well, you will achieve the expected outcome; and Valence – the importance and the personal value of the outcome, in this case, the reward.

In simpler terms, this theory is underpinned by deep foundational perceptions such as 'I can do this' and 'If I do this, I will get something that is important to me'. Understanding the power of such perceptions can help to create more relevant, targeted R&R programmes that meet the individualistic needs of a diverse workforce.

Action steps

Deploying a digital R&R platform is the best way to make the most of the Expectancy Theory. For example, a robust R&R system enhances your total rewards communication by maintaining a transparent flow of information. Things like surveys and polls can help you determine what kind of R&R initiatives your employees value the most, and a holistic employee rewards framework provides freedom of choice. This, in turn, empowers them and boosts their sense of belonging.
It says you care about their needs and wants.

2

Two Factor Theory

Hertzberg's Two Factor Theory, as the name suggests, is concerned with job satisfaction levels which are dependent on two things: Motivators and Hygiene. The 'Motivators' include such things as rewards, recognition, advancement opportunities, and access to training. 'Hygiene' contributes to job dissatisfaction and refers to things like job security and psychological safety, organisational culture, compensation, work conditions and team dynamics.

Motivators are what bolster employee satisfaction and improve motivation, while the absence of hygiene factors can result in lower employee engagement and faster burnout.

Action steps

Making reference to all the factors listed in this theory while designing your unique R&R solution can be the best way to create a workable and effective strategy that will resonate with your people. This will ensure that it includes both motivational as well as de-motivational elements, leaving little room for error.

3

Reinforcement Theory

Like the name suggests, when applied in a work environment, the Reinforcement Theory allows organisations to change employees' behaviours using positive and negative reinforcement in the form of recognition, rewards, and company awards.

The snag is that the reinforcers used by employers must be meaningful and worth the desired effort. If your workforce is not engaged with the R&R framework, it will not inspire the motivation to go above and beyond, or maximise productivity.

Action steps

Two critical factors to consider while leveraging the Reinforcement Theory are Timeliness and Relevance. The effect of appreciation is impactful when delivered immediately after the action. If the gap between the two is longer, it will not serve its purpose. Adopting a digital R&R platform will ensure real-time, on-the-go recognition through a web portal and a mobile application.

In the same way, Relevance is critical. A cheesy badge, company-branded mug or laminated certificate just won't cut it when it comes to impactful motivators. Staff want rewards that symbolise their achievement and 'speak' to their personal idiosyncrasies.

Why is Recognition essential?

Recognition serves as a vital catalyst for humans to flourish. Scientific research reveals that individuals thrive when they encounter approximately three positive experiences for every negative one. Furthermore, our brains respond to praise in much the same way as when receiving tangible rewards.

Remarkably, brain scans conducted during a study demonstrated that receiving compliments triggered similar activation patterns in reward-associated regions, such as the striatum, as the act of receiving monetary gifts*.

This intriguing finding not only suggests that social and monetary rewards are processed similarly but also highlights the intense satisfaction that social recognition can provide, almost providing a deeper sense of joy than can be found in standard financial incentives.

Numerous studies have delved into the profound impact of different forms of praise on our performance and motivation. While any form of acknowledgment is better than none at all, when our goal is to foster personal growth and align with our core values, some ways are better than others.

*The role of the Striatum in Social Behaviour, Báez-Mendoza, R. & Schultz, W. (2013). 'Frontiers in Neuroscience'.

Who should provide Recognition?

Recognition needs to come from a wide range of sources. In the workplace, the monthly pay-packet is often sufficient to motivate us to fulfil our job responsibilities. However, to truly thrive and find fulfilment, we require a blend of acknowledgement from those we perceive as 'superiors' – individuals with higher social standing, family hierarchy, or greater workplace seniority – as well as our peers.

Peer-to-peer praise bestows a treasure trove of benefits, including motivation, a sense of camaraderie, and heightened engagement.

Moreover, the presence of peer-to-peer recognition promotes an open and psychologically safe workplace. When we feel empowered to celebrate the successes of our peers, we build a culture that nurtures collaboration and fosters positive relationships.

With remote working becoming more commonplace in many organisations, preserving a sense of community can prove challenging. To address this, compelling evidence suggests that encouraging expressions of gratitude can foster teamwork and build that feeling of belonging – an inherently human need.

What are the different types of Employee Recognition?

1

Peer-to-Peer Recognition

This type of Recognition involves employees acknowledging and appreciating their colleagues' efforts and achievements. It's a bottom-up approach where Recognition comes from peers who have firsthand knowledge of the work being done.

Peer-to-peer Recognition fosters a sense of camaraderie, teamwork, and a positive work environment.

It can be informal, such as a shout-out in a team meeting, or more formal, like a peer-nominated award.

2

Manager-Led Recognition

In this approach, managers or supervisors play a pivotal role in recognising and rewarding their team members. They identify and acknowledge exceptional performance, dedication, and contributions.

Manager-led recognition often involves performance reviews, bonuses, promotions, and other tangible rewards.

It's essential for managers to provide timely and personalised Recognition to motivate employees and boost morale.

3

Leader-Led Recognition

Leaders at a higher organisational level, such as executives or senior managers, have the ability to influence and inspire the entire company.

Leader-led recognition involves these top-level individuals publicly acknowledging outstanding achievements and behaviours.

Their recognition carries significant weight and can set the tone for the company's culture of appreciation.
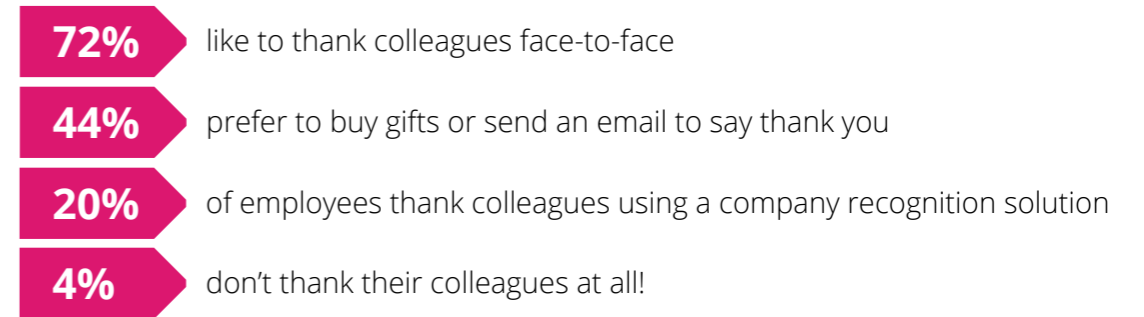
4

Recognition for Remote/Hybrid

As the workplace landscape evolves, recognising remote and hybrid workers becomes crucial. These employees might not have the same visibility as those working on-site, making it essential to use digital tools and communication channels to provide recognition. Virtual team meetings, video calls, emails, and instant messaging platforms can be used to give remote workers the acknowledgment they deserve.

Digital goodies can only go so far. The power of a tangible reward cannot be underestimated. Posting out small gestures of appreciation will almost certainly make the recognition more meaningful for these more disconnected staff members.

Incorporating a mix of these approaches can create a comprehensive and inclusive recognition programme that addresses the diverse needs of employees and promotes a positive work environment.

FACT FIX

72% like to thank colleagues face-to-face

44% prefer to buy gifts or send an email to say thank you

20% of employees thank colleagues using a company recognition solution

4% don't thank their colleagues at all!

Source: My Staff Shop Employee Insights Report 2023

"Timing Matters. Make the moment, don't miss the moment. If you are going to give someone ice-cream, give it to them as soon as possible. No one wants to receive a melted ice-cream. Same with R&R. If someone deserves recognising, don't wait for the next monthly meeting – tell them ASAP. Don't miss the moment because you're waiting for the perfect moment. The perfect moment is today – not tomorrow."

James Hems, Head of HR, People and Culture, Blue Wave Technology

Getting Strategic

Tying Reward to your Talent Management Strategy

While recognition is important for boosting morale and fostering a positive workplace culture, Rewards go a step further by providing tangible incentives and benefits to employees. Here's why Employee Rewards are important for employers, especially in the current business climate.

Keeping Your Best People

In an increasingly disrupted labour market, Rewards can help your current people feeling like valued team players who are happy to be part of the organisation. Skilled and motivated employees are like gold dust for any company.

Engaged Workforce

A happy employee is a loyal employee, and rewards are like the cherry on top of the company cake. Offering competitive salaries, health perks, retirement plans, or even a flexible schedule is like telling your team, 'We've got your back, and we want you to thrive.'

Syncing up with Company Goals

When you offer the potential of bonuses, promotions, or other types of awards that appeal to them, employees are far more likely to align their efforts with the company's objectives.

> "Our own data has shown that, post pandemic, the appetite for health insurance as part of a benefits offering is increasingly being requested by employees. Gauging the right benefits for your people will pay dividends and shows them that you are listening and responding to their needs and wishes."
>
> *Jonathan Breakell, Managing Director, My Health Xtras*

Legality & Compliance

It's a must-do to stay on the right side of the law. Skipping out on fair compensation and benefits can land you in hot water, and that's the last thing you want.

Props for Good Work

While Recognition is like a high-five for a job well done, Rewards take it up a notch by giving employees something they can actually use.

It's like saying, 'We appreciate your hard work, and here's a little something to show it.'

Motivation and Productivity

When your people know that their work will lead to perks, they're going to put in the effort.

Rewards are like the carrot at the end of the stick, and that carrot is pretty motivating.

Competitive Advantage

In the myriad of job opportunities out there, having a killer Rewards programme can help turn heads. Potential hires are more likely to see you as a contender and current staff are less likely to be lured away by other companies with a stronger benefits offering.

Creating a Safety Net

Rewards can be like a safety net for your company. Stock options, profit-sharing plans, or other incentives can make your employees feel like they're on the same team, helping to keep the company on course and heading for success.

Flexibility in Rewards

The workforce is like a chameleon, always changing colours so those employers that offer flexible Rewards to suit different tastes are going to be more attractive. It's all about saying, 'We get you, and we're happy to cater to your needs.'

Engagement Boost

Engaged employees are the life and soul of the work party, and Rewards are like the VIP tickets that get them there.

When you make your team feel like rock stars with bonuses or special perks, they're more likely to be all-in with their work.

DID YOU KNOW?

Nearly 90% of workers who received Recognition or thanks from their supervisors in the past month indicated higher trust levels in that supervisor.
Quantum Workplace

60% of employees believe appreciation from managers improved their relationship with their higher-ups.
Cicero Group

24% of workers say that their most memorable Recognition came from the CEO.
Gallup

52% of employees want more Recognition from their immediate manager.
BambooHR

The science bit

Being aware of the theories that back up a Reward strategy is useful when building the business case. Here are the pertinent ones that should make it into your proposal.

Motivation Theory

Maslow's Hierarchy of Needs Theory suggests that people have an increasingly important set of basic physiological needs (like food and shelter) to higher-level psychological needs (such as self-esteem and self-actualisation).

Rewards can address different levels of these needs, motivating people to perform better to attain them.

Equity Theory

Employees compare their inputs (effort, skills, time) and outputs (Reward, Recognition) to those of their peers.

If they perceive an inequity, where their inputs and outputs are not balanced compared to others, it can lead to dissatisfaction.

Reward systems should aim for perceived fairness and equity.

Cultural and Organisational Context

It's crucial to consider the unique culture and context of your organisation when designing reward systems.

What motivates employees can vary widely based on industry, company values, and individual preferences.

Remember that a successful Employee Reward system should be aligned with your organisation's goals, values, and the specific needs and motivations of your workforce.

Recovery Theory

This theory emphasises the importance of rest and recovery. While not directly related to Reward, it suggests that employees need downtime and recuperation to maintain motivation and performance.

Rewards can include paid time off or flexible work arrangements to support recovery.

Self-Determination Theory

Autonomy, competence, and relatedness are considered essential for intrinsic motivation.

Rewards should not undermine an employee's sense of autonomy or competence but can enhance relatedness by providing recognition and social rewards.

Social Exchange Theory

This theory views the employment relationship as a social exchange where employees give their effort and loyalty in exchange for rewards and benefits.

Rewards are seen as a form of reciprocity for employees' contributions.

Behavioural Economics

Insights from behavioural economics and loss aversion, can inform the design of Rewards. For example, framing a bonus as a potential gain rather than a loss can influence employee behaviour.

Goal Setting Theory

Employees are motivated when they set specific, challenging goals. Rewards can be tied to the achievement of these goals, providing a clear incentive for employees to strive for success.

"It's not a difficult concept to pay and reward people. However, to do so in a manner which is aligned to the business objectives and engages colleagues takes much thought and consideration. It's common practice for organisations to reward what they believe motivates and engages without testing the concept and the result is often a misaligned remuneration strategy."

Sonia Belfield, Portfolio People Director, People Puzzles

Types of Rewards

There are many workplace rewards available to motivate and engage employees.

Here are some of the most common ones, and why they may, or may not, be right for everyone.

Team Rewards

These acknowledge the collective effort of a team and can include team outings, bonuses, or special recognition for achieving group goals.

However, if Team Rewards are not distributed fairly or individual contributions are not recognised within the team's success, it can lead to resentment or disengagement.

Trivial Benefits

Trivial benefits are small, often non-cash rewards given to employees for their everyday contributions or as tokens of appreciation.

These can include small gifts, movie tickets, or meal vouchers. While cost-effective, they may not hold much value for employees or may not be personalised enough to feel meaningful.

Celebrations for Birthdays

Marking employees' birthdays or work anniversaries with cakes, cards, or small gatherings to commemorate the occasion is a nice thing to do in the workplace, and for the most part, everyone appreciates the gesture.

That said, some employees may prefer not to have their birthdays or anniversaries acknowledged at work, so asking colleagues if this is the case is always a good thing to do. Additionally, this type of recognition can be seen as routine and lack novelty over time.

Physical and Digital Rewards

Physical rewards might include tangible items like branded merchandise or gift cards, while digital rewards can include online badges, virtual trophies, or access to exclusive content.

Of course, physical rewards can be costly and may not always align with employees' preferences – taking away the choice can also create apathy. Similarly, digital rewards may lack the personal touch of physical items and may not appeal to all generations or work settings.

The takeaway from this is that by tailoring rewards to individual preferences and acknowledging the diverse needs of the workforce, HR and Reward professionals can help maximise the benefits of these initiatives.

Long Service Awards

These awards recognise and celebrate employees who have dedicated a significant portion of their career to the company, typically at milestone years such as five, ten, fifteen, twenty etc.

While there are not many drawbacks, some employees may see these awards as expected and not genuinely motivating. They can also inadvertently create a sense of entitlement among long-serving employees.

Recognition and Appreciation Programmes

Regularly recognising and appreciating individual employees for their achievements, contributions, or going above and beyond is a no brainer.

As children, getting the gold star, a badge for achievement or simply a hug from a friend to let us know how special we are gave us that feel-good factor. Not much has changed, and humans still react incredibly positively to this form of reward. However, if not executed genuinely, Recognition may come across as insincere or lacking in authenticity.

Consistency and fairness in recognising employees can also be challenging to maintain so this is where having a system in place can have a huge impact.

> If I prefer tea and you prefer coffee, don't bring me coffee to say thank you. It just tells me that you don't know me. Instead, ask: Would you prefer tea, coffee or another drink? In recognition terms you might ask: Do you prefer to be recognised privately or publicly? In short, make R&R personal, effective and meaningful for the recipient.

James Hems, Head of HR, People and Culture, Blue Wave Technology

What makes a successful R&R initiative?

Putting metrics in place to assess your Reward and Recognition programme is crucial to ensure it is achieving its intended outcome and providing a return on investment. Here are several key ways to measure its effectiveness.

1 Identify the problem that needs to be addressed

2 Decide what you want your outcomes to be

3 What system fits these best?

4 Align to company values

8 Seed R&R champions across the business

7 Have a dedicated Reward professional to deal with R&R

6 Share outcomes so people can see and celebrate successes

5 Provide context for management

9 Comms need to support the strategy – so shout about the wins

10 Drive engagement by reminding people about the new initiatives at every touchpoint

11 Make this part of the employee journey from onboarding onwards

12 Explore ways that technology can support and facilitate a culture of appreciation

"Measuring how effective your R&R strategy has been is really tricky. We'd always suggest asking questions that include aspects of an employee's perceived environment (what happens to them) and their felt experience (how did that make them feel).

If we can capture both of these sentiments over a period of time, we can start to drive positive people outcomes and unlock how to make our R&R programmes better for everyone."

Ted Hewett, Head of Business Development,
The People Experience Hub

The Power of Employee Feedback and Surveys

Want to know what your people think? Ask them! Conduct regular surveys or solicit feedback from employees to gauge their perceptions of your R&R programme. Ask about their satisfaction, whether they feel valued, and if the programme motivates them. Don't ignore your findings, use them to shape and develop your scheme.

Participation Rates

What's participation like? Are employees actively engaging? If so, this shows your work is paying off.

Examine performance metrics related to the goals and objectives of the recognition programme. For instance, if you want to boost sales, you can analyse sales data to see if there is a correlation between recognition and improved performance.

Performance Metrics

Is the sales team awesome at using the programme, but accounts are a bit slow to get on board? Tracking how often employees are recognised or rewarded is a good way to monitor success. An increase in the frequency of recognition can indicate a positive shift in the workplace culture, and suggests that it is becoming more widely accepted means of showing appreciation and acknowledging effort.

Recognition Frequency

Productivity and Output

This one is easy: track key performance indicators (KPIs) relevant to your industry and assess whether they have improved since the implementation of the programme. Boom!

Retention Rates

Analyse employee turnover rates. A well-functioning R&R programme can lead to higher employee retention, as employees are more likely to stay with an organisation where they feel appreciated and valued.

Time to do the math. Calculate the ROI of the programme. Compare the costs (including rewards and administrative expenses) to the benefits it brings, such as increased productivity, reduced turnover costs, and improved morale.
The FD will thank you for this.

Cost-Benefit Analysis

Employee Morale and Engagement

Do people seem happier? Do they seem more content?' Are they more ready to express thanks and show colleagues that they are appreciated? The litmus test will be productivity but a straw poll of attitudes to the new scheme can provide a snapshot of how it is going.

Long-Term Impact

Evaluate employee retention, organisational culture, and overall performance – and don't forget, some effects may take time to manifest fully.

Quality of Work

Assess the quality of work produced by employees. If your R&R initiative is effective, you should see that reflected in the quality of products or services delivered.

Benchmarking

What is the competition up to? Compare your organisation's reward and recognition practices with industry benchmarks or best practices to identify areas for improvement.

Cross-team Comparisons

It's not about keeping up with the Joneses, but by comparing the R&R received by different teams or departments within the company HR can identify areas that might need adjustments to ensure fairness.

Qualitative Feedback

Collect qualitative feedback through focus groups or interviews to gain deeper insights into how the programme is going, and listen to any feedback to help make improvements.

Nail your R&R campaign in 10 steps

Take the stress out of setting up your R&R programme with our step-by-step approach

01
What are the rewards going to be?
The Reward Team or person responsible will need to decide on this and set them up. It offers the perfect opportunity to link them to the company values and research shows that this can make the difference with successful engagement.

02
What are the parameters? Non-monetary? How much?
Decide who is going to nominate and approve rewards and what the structure will be. If you have multiple geographic locations will you want to segment further and provide different rewards for different demographics? Will you offer whole team rewards or individual ones?

03
How do you want it to look and feel?
This might not sound like the most important element but it can mean the difference between success and failure. Customise your solution with brand colours so it is a seamless and fluid experience for users.

04
Consider the tax implications or rules in the countries you are issuing the rewards
If you are a multi-location business with offices internationally, considering the tax implications and rules in this region is critical. Additionally, the wording and language you use is also important.

05
Do you have the right policies and regulations in place?
Any initiative should be backed by company policy and any regulations, so get the paperwork in order before launch.

06
Train your managers on how to use the system
Not everyone is digitally literate and you may need to undertake manager training prior to any launch. Your solution provider should organise this for you. Make sure you ask plenty of questions.

07
Launch it!
When it comes to D-Day (or R-Day), HR needs to get everyone involved from the leadership team downwards. Sometimes offering an initial incentive such as a sum of money or virtual currency like our Reward Beans, can be a huge incentive to kick off the initiative and get employees engaged with and using your new platform quickly!.

08
Communicate the initiative
Once the scheme is up and running, keep up the comms. This means regular email reminders. It might be that the frequency that works in your organisation is monthly, or quarterly. Whatever it is, make it consistent.

09
Make it accessible
Accessibility is critical. Avoid a clumsy employee journey and enable mobile and push notifications to make it as easy as possible for people to use.

10
Incentivise it!
Create and manage competitions and incentivise any new schemes. Show the engagement and run regular pulse surveys to measure the effectiveness of the scheme and any changes in the culture.

A Brave New World: The future of R&R Technology

Digital advancements are giving rise to a responsive suite of R&R solutions offering a greater choice and flexibility

Technology plays a critical role in the success of any reward solution. It offers HR a lens through which they can explore where the best opportunities for engagement lie, what the appetite is for the current benefits provision, and what might no longer be fit for purpose.

Now, using next gen HR technology, employers can track the effects of any initiatives and compare them within a chosen time-frame. Here are some new features that benefits providers are offering as part of their suite of R&R tools to help better engage their workforces.

Integration of AI in R&R

The advent of artificial intelligence (AI) has made headlines and will continue to shape all areas of business. R&R is no different and employee benefits providers are responding by incorporating its capabilities to benefit employers. In the health arena, for example, AI facilitates personalised health and wellbeing support for employees; conversational AI offers instant assessments and signposts employees to relevant support sources without requiring employer intervention.

AI can also identify issues like whether offering salary sacrifice could push an employee below the national minimum wage, and flag potential employee fraud.

Employer appetite for these optimised benefits tech is bringing about targeted communication based on behaviour, demographics, interests, and locations, with the ability to track the success of any R&R campaigns and refine strategies accordingly. This means that Reward Managers can leverage data-driven insights to build compensation structures, provide real-time managerial support, allowing them to benchmark against industry peers, and assist in building a winning reward strategy.

1 Flexible Benefits

Unlike traditional benefits packages, which offer a one-size-fits-all solution, flexible benefits allow employees to pick things that best suit their individual needs and typically include options like health insurance, pension plans, childcare vouchers, and gym memberships.

This type of granular personalisation is one of the key draws for employees. Not only can they select preferred benefits but offering choice empowers them, demonstrating that they are valued by the organisation and this, in turn, fosters a sense of belonging.

Making it simple to select, change and manage benefits in a few clicks speaks to a modern workforce. A user-friendly experience removes barriers, saving HR time and reducing the admin burden.

Transparency is also a key feature and Reward Managers can track what is popular, what isn't, and employees can stay informed with notifications about the status of their benefits.

2 Total Reward Statements

A TRS provides personalised information about the value of an employee's employment package and includes details about remuneration and any benefits provided locally by an employer. It is held securely on an organisation's website and employees can view their statements via a login screen.

All strands of staff data can be streamed into one single platform for both employer and employee to access in order to get an overview of everything they receive such as holiday allowance, rewards, and any recognition given.

3 EX Analytics

Employee recognition experience analytics provide actionable data that can help HR build reward and recognition programmes that truly inspire their people.

To do this, a machine learning-enabled employee experience (EX) platform analyses employee satisfaction metrics in an advanced capacity, and from across multiple data sources, rather than just traditional employee surveys.

DID YOU KNOW?

72% of HR leaders say that they plan to expand their use of AI in 2024.
Fossway Group, January 2024

76% of HR leaders believe that if their organisation does not adopt and implement AI solutions, such as generative AI, in the next 12 to 24 months, they will be lagging in organisational success compared to those that do.
Garther, 2023

25% of organisations utilise automation or artificial intelligence (AI) to assist with HR-related tasks.
Society for Human Resource Management (SHRM) 2023

Client Case Study: Rhino Safety

RECOGNITION HAS BECOME PART OF OUR WORKPLACE CULTURE

Implementing an R&R solution has unified employees, improved communication and boosted the company culture.at this SME.

> " As a small company, we have struggled to offer competitive pension plans or commission-based structures to our people, so looking at recognition solutions made sense to us.
>
> ***Cate Walter, CEO, Rhino Safety Ltd***

Sector: Health and Safety

Employee Mix: Home working / hybrid / in the office

Location: Cheshire

Making it Work for Everyone

As a company with a mixture of people in the office and working from home, company director, Cate Walter, wanted to implement a recognition solution that would appeal to everyone: "We wanted some kind of public recognition so everyone else can see that positive feedback or that thank you for a job well done."

Functionality is Key

My Staff Shop's Fanmail function appealed to the team as a fuss-free, comprehensive and employee-focused solution that offers genuine value and a simple user journey: "We wanted the sort of functionality you'd expect from a tech platform: intuitive to use, and offering a simple user journey. We liked the personal level of service that the My Staff Shop team provides – it was more aligned to our company ethos as well."

The Power of Personalisation

Branding the Recognition system has been paramount to help maintain consistency across all the comms channels: "We asked the My Staff Shop team to personalise the Fanmail rewards by having little Rhinos as our avatars, and that has been such a great touch and really fits in with our brand. Everyone really loves them. This is part of the culture here. This is how we thank people. This is how we let people know they're doing a good job.

User Friendly Comms

Cate notes that the customer service team has been critical in supporting her from implementation to launch: "I've been able to jump on the live chat or email and someone's sorted out the issue straightaway for me. The fact that the people behind it are a friendly, personal team really appealed to us and the Platform itself functions in the way that you would expect a big corporate rewards solution to operate."

> " ***The team is so much more aligned now. Employees seem happy and are communicating when they have successes, wins, or when someone has done a great job.***

Client Case Study: Home Bargains

*CREATING, LAUNCHING AND MEASURING THE IMPACT
OF A REWARD PROGRAMME*

Which?'s highest ranking UK discount retailer wanted a branded employee benefits platform to provide a central point for all benefits, and to celebrate and recognise its colleagues.

My Staff Shop developed a bespoke Platform encompassing the company's signature branding, and collated all the employee benefits that Home Bargains provides its people into one easy-to-use portal.
Senior Reward Manager, Louise Walpole wanted a simple and cost effective solution ensuring a suite of benefits that could reach all 28,000 colleagues.

> " With our mission: 'Top brands bottom prices', cost drives us in terms of everything we do as we want to deliver the best prices to our customers. Therefore, finding a platform with a competitive cost per head was critical. "
>
> **Louise Walpole, Senior Reward Manager**

Sector: Discount Retailer

Number of Employees: 28,000 +

Employee Mix: Office staff, delivery drivers, ware-house & store-based colleagues

Locations: 600+ stores across UK

A Partnership Approach

"My Staff Shop has been great at that personalisation approach for supporting our scheme. They created graphics for us to use, as well as the app, and this creates a familiarity with the Home Bargains brand for our colleagues. It works and it's become a part of our culture as a business."

User Friendly

Having a really comprehensive suite of tools for reporting on engagement and footfall has been critical for Home Bargains: "We pull all the data into our own tech from the analytics package. The reports are great and I can easily see the daily footfall and how people are using the Platform. We're now trying to do some more targeted content around the My Staff Shop app and using the reporting tools to see where engagement

Benefits Consultants

One of the biggest selling points for Louise was the unique approach to supporting the ground level managers and teams: "I love the fact that the Benefits Consultants go out into the stores to support our colleagues and show them how to get the most out of the scheme. We have had excellent feedback on this element.
"We have also seen great take-up of the cash plans too, over 900 I believe. All of this goes to build a fantastic support package for our colleagues."

Multi Location Know-How

My Staff Shop's experience working with retailers or clients with multiple sites, whether that is distribution for complex workforces, multilingual, multi-location or low-income employees, was definitely a deciding factor for the Rewards

"This experience really impressed me, especially compared to some of the other players in the market. They were really strong on communications and instantly understood the type of support we would need in terms of making it fit in the best possible way with our colleagues."

> " THE TEAM GO ABOVE AND BEYOND. THEY PUT SO MUCH EFFORT INTO MAKING IT RIGHT WITHOUT A LOAD OF ADD-ON COSTS. THIS MEANS YOU GET A QUALITY SERVICE AT AN AFFORDABLE PRICE. FOR EMPLOYERS AS BIG AS US, THIS IS CRITICAL. "

Putting it all into practice

Some final considerations to help you maximise the power of appreciation in your workplace

Make it timely!

Be quick to respond to those small acts of kindness or celebrations, like passing a probation period, marking a birthday or completing a project. This provides a bigger impact and the positive boost that you intend to give.

Go global and be specific

You can make your 'thank you' visible to the whole company or keep it personal depending on what you are saying – sometimes showing the entire business how well an individual has done can have a bigger impact and promote more colleague interactions. That said, vagueness can dilute the intent of the recognition, so encourage employees to be specific.

Remember important milestones

Responding to these things can really bolster someone's sense of belonging and contribute to a culture where people feel recognised for their individuality.

Make it user-friendly

Limit the effort to give recognition. The fewer clicks needed, the more engagement you will get and the happier your workforce will be!

Communicate the benefits

Remind your people of how good appreciation can make them feel. Use your internal comms to prompt them to participate and remind them of the benefits to health and wellbeing. If they don't know about it, they can't use it!

Remember remote workers

Remote, hybrid and off-site employees need even more connection as a lack of sociability, fewer connections with leaders and managers and feeling disconnected from the workplace culture can affect how a person feels about themselves and their job. Regular reminders of how well they are doing can help protect their mental health.

Next steps

Once you have made the decision to make R&R a formal part of the company's processes, it is time to think about who can help with this. Does your current benefits provider offer a comprehensive solution, or are you in the market for other options?

Do your due diligence

We would always recommend shopping around and asking pertinent questions to ensure the provider or solution you choose fits your needs. There are a lot of companies out there and knowing what you want, what you need and what success looks like to you is critical.

Ask questions!

Arm yourself with the queries you have – it might be with regards to timelines, capacity, location, segmentation, how best to customise your platform, what types of rewards work best, etc. The provider should be able to competently answer your questions and have examples and case studies you can look at to see how and why other organisations have had success.

Is your EVP attracting and retaining the best people?

My Staff Shop are experts in helping clients to build the best possible Employee Value Proposition with bespoke perks, discounts, Reward & Recognition and wellbeing packages to suit your people and your business! Our quick EVP quiz can help you to see where you are winning and what you could be doing better.

Wellbeing

Do you have multiple absences, long-term sickness and rising employee mental health issues hampering productivity?

Recognition

Is it challenging to motivate and engage remote and hybrid workers?

Discounts & Cashback

Struggling to engage your people and provide a cash boost, wage increase or bonus?

Reward

Is rewarding your people an ineffective and time-consuming admin burden?

Take our 5-minute quiz to find out

ABOUT US

My Staff Shop is a one-stop benefits hub that brings employee benefits and Reward & Recognition into a single centralised Platform.

Streamlining your benefits in this way aligns with the organisation's strategic business goals, allowing you to measure the impact of any campaigns; providing a cohesive and agile solution with an overview of how engaged your people are – what works for them – and what isn't cutting the mustard.

Founded in 2011, My Staff Shop has served hundreds clients across multiple sectors from small businesses to large multi-location organisations. In 2022, we became an Employee-Owned Trust – in fact, we are the only EOT Employee Benefits Business in the UK. We are proud to work hard with our clients to design the best possible employee benefits solutions to help you future-proof your workforce.

For a demo of how we can create the perfect, tailored benefits solution for your organisation, visit www.mystaffshop.com and fill in the contact form, call us on **03300 242281** or email **info@mystaffshop.com**.

Let's get social

Get In Touch

my STAFF SHOP

MyStaffShop.com