



JobPts

FREE EBOOK

# Employee Recognition Playbook

Step-by-step guide for Implementing  
and Managing a Successful Employee  
Recognition Program

# Building a Culture of Appreciation

*Employee recognition and appreciation are important **drivers of employee motivation, engagement, positive employee experience and employee success.***

*Today, companies are aware more than ever before about the power of building a culture of appreciation within their organizations.*

*Moreover, there has been a lot of research on the positive impact of employee recognition on business productivity, customer experience and business success.*

*Still, **many companies struggle to implement successful employee recognition and reward programs.***

## 68%

*of employees **haven't received any form of recognition** for good work in the last year.*

Source: Gallup



# How to Build a Successful Employee Recognition Program

## *Step-by-Step Guide*



Employee appreciation is one of the best ways to **deliver experience employees are expecting** from their employers.

Recognizing employees naturally drives employee engagement as being recognized for good work helps employees **increase their motivation** and try harder to achieve their goals.

Recognition also helps organizations align their employees' behaviors and personal values with the main business goals, purpose and core company values. Let's take a look into the steps for implementing a successful employee recognition program.



# 1. Get Executives' Buy-In

## What is the ROI of an Employee Recognition Program?



**46%**

*of Senior Managers view Employee Recognition Programs as **an investment rather than an expense.***

**Getting executives' buy-in** is the very first, and the most important step, for implementing a successful employee recognition program.

In order for the program to drive expected results, it is important to have the leaders and executives on board. After all, they are the ones that will be responsible for communicating the value of recognition and

aligning the whole workplace with the purpose of the new initiative. If the initiative is not supported by the executives, **it will be extremely hard to convince** the rest of the organization about the importance and benefits of building a culture of appreciation.

Even though proving the ROI of a recognition program is hard before the program is being implemented, there are a lot of companies and research institutions that **have already proved the positive impact** of employee recognition.

So how to **prove the ROI** of Employee Recognition?



# The ROI of Employee Recognition Program

**31%**

DECREASE IN  
TURNOVER RATE

Companies with strategic recognition programs reported lower voluntary turnover rates compared to companies that have no recognition programs.

**41%**

INCREASE IN  
CUSTOMER  
SATISFACTION

41% of companies who have peer-to-peer recognition programs see improvements in customer satisfaction.

**14%**

INCREASE IN  
EMPLOYEE  
PERFORMANCE

Organizations within which teams and individuals are recognized see better employee performance.

**33%**

INCREASE IN  
INNOVATION

Employees who receive strong recognition are more likely to be proactively innovating.

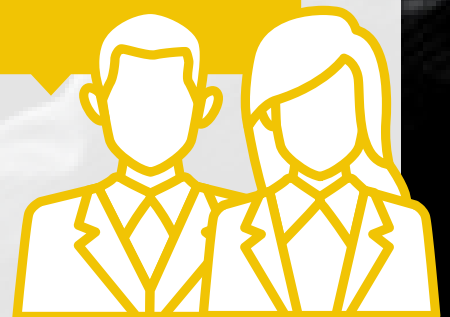
**67%**

of employees agree that praise and commendation from their managers is their **biggest motivator for performance.**



**58%**

of leaders say that recognition is the way to **improve employee engagement.**



# The ROI of Employee Recognition Program

40%

INCREASE IN  
EMPLOYEE  
MOTIVATION

40% of workers said they'd put more energy into work if they were recognized more often.

EMPLOYEE  
HEALTH

29%



of companies say that value-based recognition positively impacts **company's health and wellness goals.**

EMPLOYER  
BRAND



66%

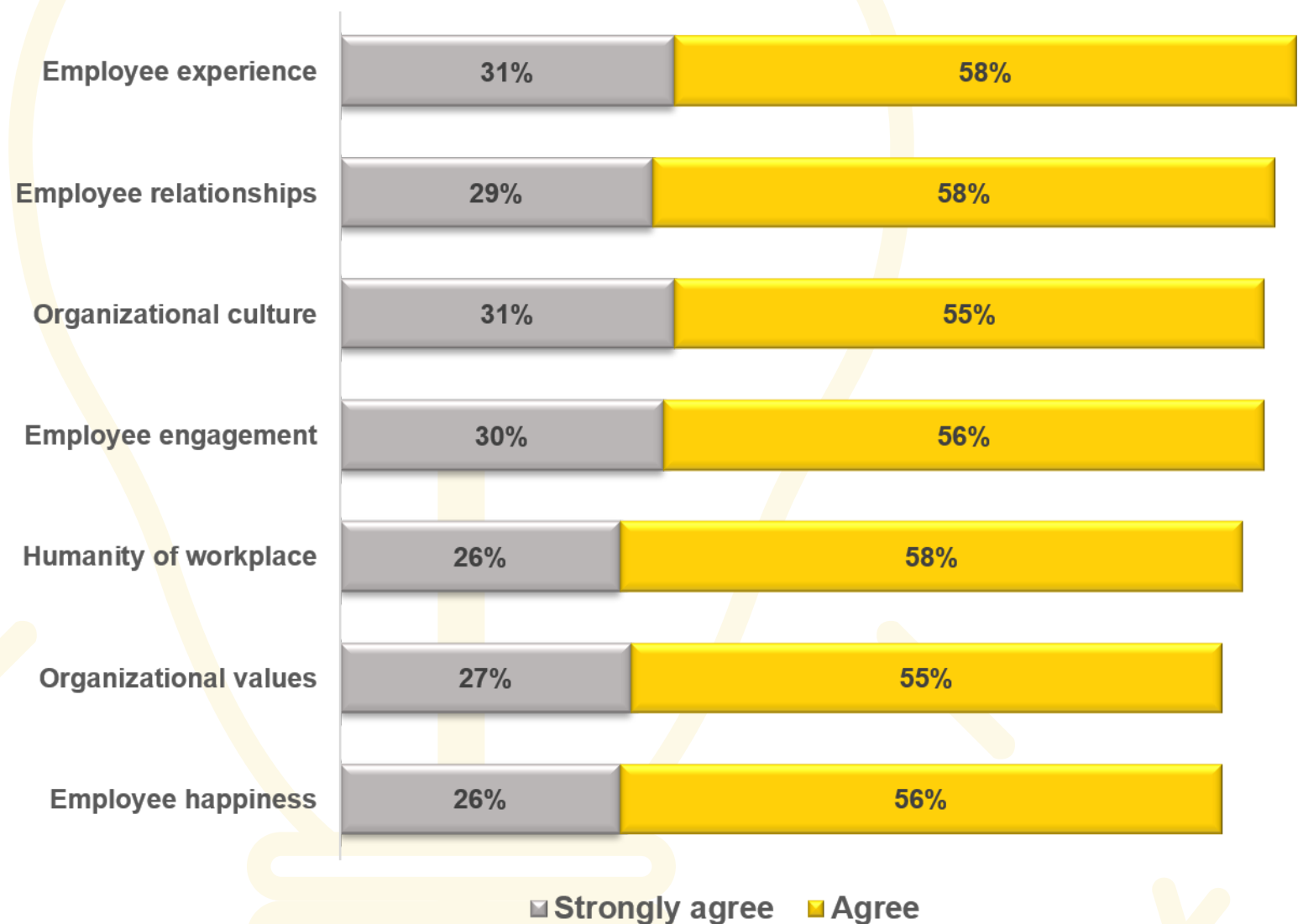
of companies say that value-based recognition programs **help them build a stronger and more attractive Employer Brand** which improves the ability to attract top talent.

37%

INCREASE IN SAFETY

37% of companies say that values-based recognition positively impacts workplace safety

When employers were asked  
"What are the benefits of a  
recognition program?" ...





## 2. Appoint a Recognition Program Manager

### Who will lead the Recognition Program?

**Assigning the right person** to pilot, plan, implement and manage the Employee Recognition Program is very important, especially if this is a completely new initiative in your organization.

This person **has to be a true believer of the positive outcomes** of employee recognition, lead the rest of the organization and provide support to both managers and employees.

The Employee Recognition Program admin should, ideally, be a **member of a total rewards, employee benefits or some other HR related team**.

Lately, we see more and more **Employee Experience professionals and HR Business Partners** looking into employee recognition programs as a tool to improve employee experience and success.





# 3. Choose an Appropriate Recognition Program Type

Monetary, non-monetary or a nomination program? Peer-to-peer or top-down?

## MONETARY

Monetary programs are the ones in which employees get rewarded with monetary rewards which can include points for redemption, gift cards for employees' favorite vendors, trips and other experiences available in the company's gift catalogs.

## NON-MONETARY

Unlike monetary programs, non-monetary recognition programs do not include financial rewards and are do not create an additional expense for employers. Non monetary rewards usually include an act of appreciation such as appreciation emails and cards.

## NOMINATION PROGRAMS

Nomination programs are a great way to add some fun to the recognition program. Employers usually choose a nomination period for an event such as Employee of the Year during which the whole organization can participate by nominating their favorite coworkers.

## PEER-TO-PEER

While traditional recognition programs used to focus on managers recognizing their employees, the emergence of collaboration within workplaces made peer-to-peer recognition programs even more popular.

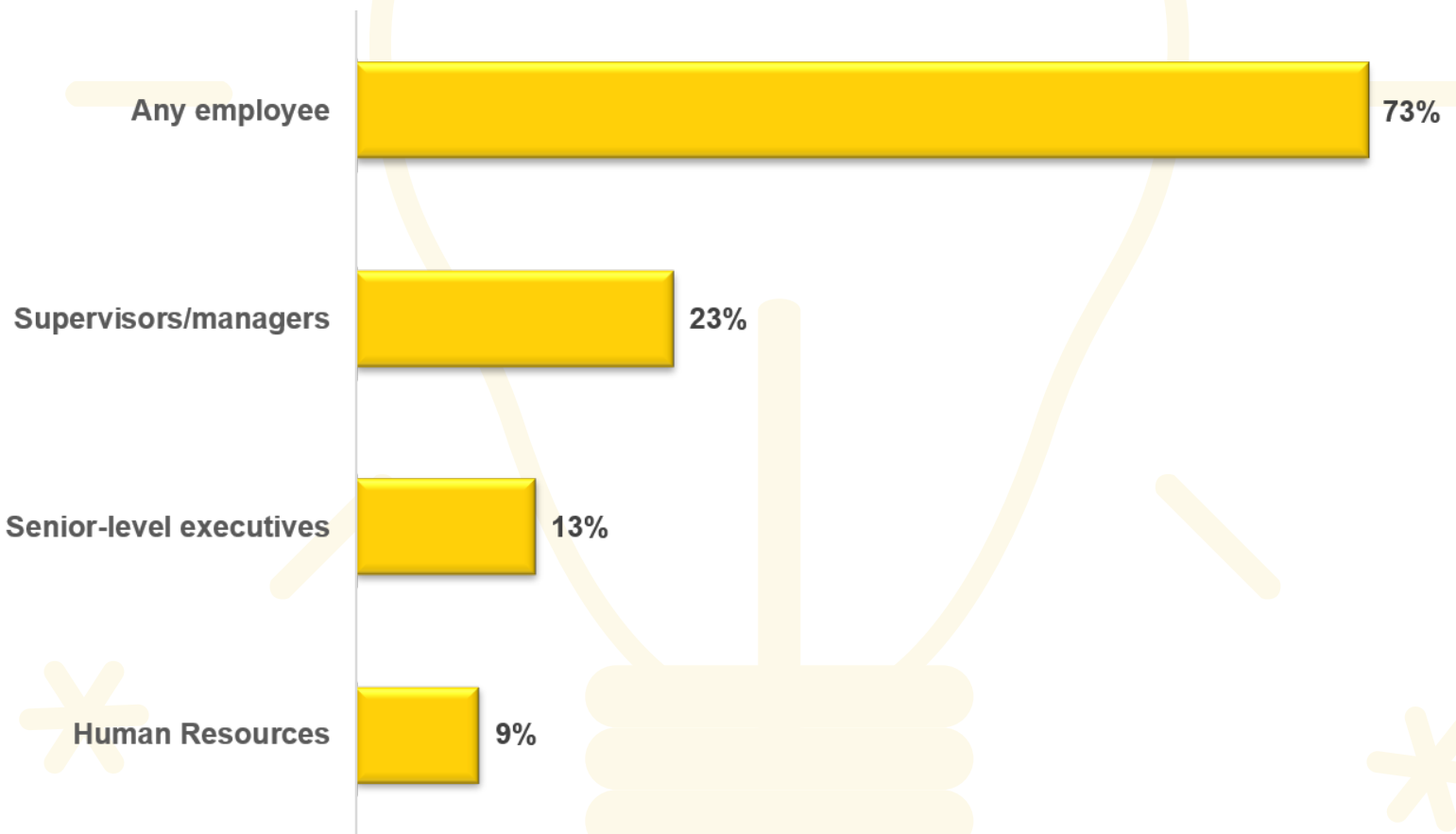
## TOP-DOWN

Unlike peer-to-peer, top-down recognition programs enable managers ONLY to recognize their teams for good work. The most successful recognition programs have both peer-to-peer and top-down recognition options.

## YOUR RECOGNITION PROGRAM


What is your recognition program going to look like?

# When employers were asked "Who can give recognition at your company?" ...



Note that the **majority of organizations have a company-wide employee recognition programs** in which any employee can participate.

## 4. Define a Budget for the Recognition Program



**What portion of the overall payroll will be used for Employee Recognition?**

Recognition programs can be **monetary or non-monetary**.

Meaning, you can have a recognition program in which employees get financial rewards or a program in which employees simply show appreciation by saying "thank you" or sending inspirational appreciation notes to their coworkers.

Even though research has showed that assigning **around 1% of the overall payroll** to recognition brings the best results, employees also

agree that non-monetary rewards can mean more than receiving monetary rewards such as bonuses, gift cards and other.

In any case, assigning an appropriate employee recognition budget is one of the first steps when implementing an Employee Recognition Program. Most of the time, **these budgets differ based on the country** in which the company operates.

***When companies spend 1% or more of payroll recognition, 85% see a positive impact on engagement.***





# Various Cases for Recognition Program Budgeting

Project Name: Employee Recognition Program

Total Annual Payroll Expenses (with recognition)	% of Payroll Assigned to Recognition	Total Recognition Expenses
\$60 million	0.2%	\$120 000
\$5 million	0.2%	\$10 000
\$60 million	0.5%	\$300 000
\$5 million	0.5%	\$25 000
\$60 million	1%	\$600 000
\$5 million	1%	\$50 000
	Non-monetary programs	\$0

## 5. Find and Implement the Right Recognition Software

**Is there a flexible technology that can support our needs and existing internal processes?**

Implementing a successful recognition program is **impossible without the right employee recognition and rewards software** solution.

Luckily, there are many tools designed to ease employee recognition, make it more fun and engaging to employees. However, these tools vary regarding their features and capabilities. Moreover, a **lot of them can not meet specific needs** that large enterprise companies may have.

Therefore, **finding, evaluating and choosing the right employee recognition software** is one of the most important prerequisites for a successful recognition program.

Only  
**14%**

*of organizations provide managers with the necessary tools for recognition and rewards*

**Let's now take a look into the main features you should look for when evaluating an employee recognition software provider.**





## EMPLOYEE RECOGNITION PROGRAM

### SOFTWARE SOLUTION FEATURES WORKSHEET

Vendor Name	Features/Types of Gifts and Redeem Options	Yes	No
	Points-based system	<input type="radio"/>	<input type="radio"/>
	Value cards such as "Thank you" cards	<input type="radio"/>	<input type="radio"/>
	Monetary gifts	<input type="radio"/>	<input type="radio"/>
	Bonuses	<input type="radio"/>	<input type="radio"/>
	Custom gift stores	<input type="radio"/>	<input type="radio"/>
	Nomination programs	<input type="radio"/>	<input type="radio"/>
	Gift cards	<input type="radio"/>	<input type="radio"/>
	Vouchers and Discounts	<input type="radio"/>	<input type="radio"/>
	eBay & Amazon	<input type="radio"/>	<input type="radio"/>
	Charity	<input type="radio"/>	<input type="radio"/>

**PROJECT NAME:** Employee Recognition Software Evaluation

**PROJECT DATE:**

**PERSON IN CHARGE:**





## EMPLOYEE RECOGNITION PROGRAM

# SOFTWARE SOLUTION FEATURES WORKSHEET

Vendor Name	Features/Automation and Management	Yes	No
	Automated Service Anniversaries	<input type="radio"/>	<input type="radio"/>
	Automated triggers from HRIS	<input type="radio"/>	<input type="radio"/>
	Automated recognition emails	<input type="radio"/>	<input type="radio"/>
	Automated Birthdays	<input type="radio"/>	<input type="radio"/>
	Custom gift stores	<input type="radio"/>	<input type="radio"/>
	User permissions	<input type="radio"/>	<input type="radio"/>
	Managing budgets	<input type="radio"/>	<input type="radio"/>
	Levels of approval	<input type="radio"/>	<input type="radio"/>
	Automation workflows	<input type="radio"/>	<input type="radio"/>
	Standard Index of Living	<input type="radio"/>	<input type="radio"/>

**PROJECT NAME:** Employee Recognition Software Evaluation

**DATE:**

**PERSON IN CHARGE:**



## EMPLOYEE RECOGNITION PROGRAM

### SOFTWARE SOLUTION FEATURES WORKSHEET

Vendor Name	Features/Social Recognition, Branding & Other	Yes	No
	Recognition through Slack and MC Teams	<input type="radio"/>	<input type="radio"/>
	Social Walls	<input type="radio"/>	<input type="radio"/>
	Gamification	<input type="radio"/>	<input type="radio"/>
	Leader boards	<input type="radio"/>	<input type="radio"/>
	Likes & Comments	<input type="radio"/>	<input type="radio"/>
	Collaboration	<input type="radio"/>	<input type="radio"/>
	Corporate branding	<input type="radio"/>	<input type="radio"/>
	Recognition email templates	<input type="radio"/>	<input type="radio"/>
	User-friendly interface	<input type="radio"/>	<input type="radio"/>
	Mobile-friendly	<input type="radio"/>	<input type="radio"/>

**PROJECT NAME:** Employee Recognition Software Evaluation

**DATE:**

**PERSON IN CHARGE:**



## EMPLOYEE RECOGNITION PROGRAM

# SOFTWARE SOLUTION FEATURES WORKSHEET


Vendor Name	Features/Analytics and Languages Supported	Yes	No
	Invoices	<input type="radio"/>	<input type="radio"/>
	Orders tracking	<input type="radio"/>	<input type="radio"/>
	Redemption reports	<input type="radio"/>	<input type="radio"/>
	Budget statuses	<input type="radio"/>	<input type="radio"/>
	Gifts by department and location	<input type="radio"/>	<input type="radio"/>
	Activity reports	<input type="radio"/>	<input type="radio"/>
	English	<input type="radio"/>	<input type="radio"/>
	French	<input type="radio"/>	<input type="radio"/>
	Spanish	<input type="radio"/>	<input type="radio"/>
	German	<input type="radio"/>	<input type="radio"/>

**PROJECT NAME:** Employee Recognition Software Evaluation

**DATE:**

**PERSON IN CHARGE:**

## 6. Set Clear Employee Recognition Program Goals



What outcomes do we expect from our new employee recognition initiative?

If you are looking to implement an Employee Recognition program, there should be a clear and justified reason why. Not only that having clear and measurable goals **will help you measure the impact of the new initiative**, but this will also help you get the executives' support and buy-in. You have probably already heard of **SMART (specific, measurable, achievable, relevant, time-based)** goals. Even though this approach to setting goals was introduced a long time ago, it is very applicable to this case.

Here is an example of a SMART goal for Employee recognition program:

*Using employee recognition we want to **improve our customers' NPS from 6 to 8 in the next 6 months** by recognizing employees from our customer support team who get positive feedback from our customers.*

**94%** *of employees crave to know the impact that their work is having on the company.*

# Always Start With Why

Why are we building a recognition program?



**YOU NAME  
IT!**

GOALS



# Your Recognition Program Goals

What are you trying to achieve with your Employee Recognition initiative?

GOAL 1

GOAL 2

GOAL 3

GOAL 4

GOAL 5



# 7. Align Recognition with Your Business Goals, Purpose and Core Company Values

How will recognition help you achieve your business goals?

In the world of digital transformation and constant change, employers need to find a way **how to embed new employee behaviors**, motivate them to innovate, develop new skills, be more team oriented and live by the core company values.

Even though, traditionally, employee recognition programs were **used to reward employees for achieving their goals** or being top-performers, the new approach takes a step back.

How can we, using recognition, encourage employees adapt to the ever-changing

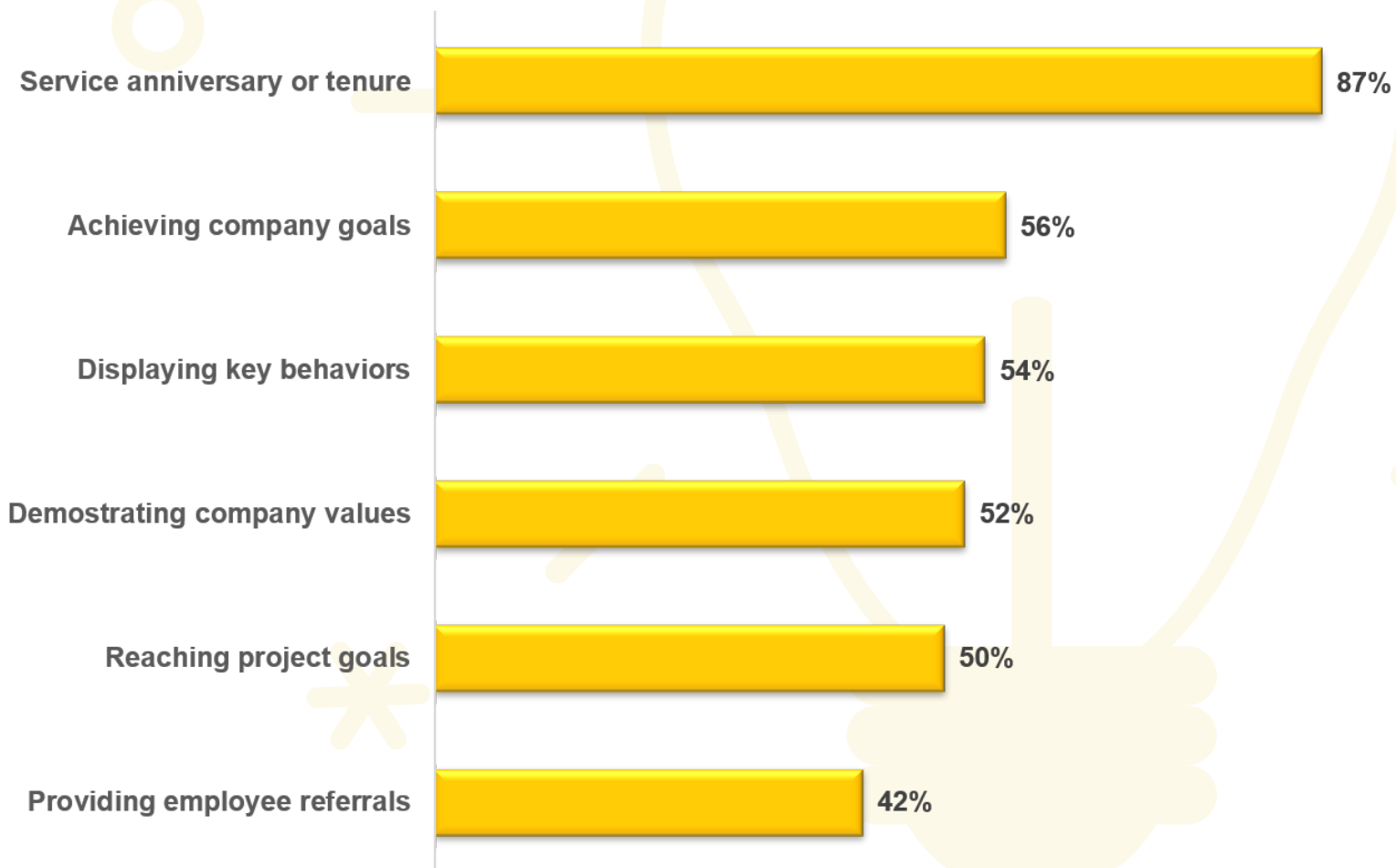
business environment by **embedding behaviors crucial for the company's success**?

Employers have started to realize that employee recognition and appreciation are some of **the most efficient tools** to drive those desired behaviors.

Therefore, employee recognition is a great opportunity to **tie employee actions to your company's values, goals, mission and purpose**. This helps people better understand the impact of their work on the overall business success and growth.

When employers were asked

"What do you recognize your employees for?" ...



Note that the big portion of companies recognize their employees for **displaying key behaviors and demonstrating company values**.

## 8. Carefully Define Recognition Policies & Procedures

**What, why, who, when and how will be recognized and rewarded?**

Great, you've answered the critical "why" question, but sorry to say that this doesn't mean you can or should move on to designing your recognition program. At least, not just yet.

You've got one more thing to do first, and that is to **create your recognition policies and procedures**. These help you define your program, what it stands for, what makes it unique and what it says to your employees and the external marketplace.

Finding and defining the right recognition program principles will help you **create recognition programs which truly drive and support your "why,"** aligning with your company's mission, culture and values.

When deciding on the **what, why, who, when and how should be recognized**, make sure to align those rules to the overall business strategy.

**Over 50%**  
***of companies rewards employees for demonstrating core company values and displaying key employee behaviors***

# Employee Recognition Principles



**Name:**

**Date:**

What are the actions or certain employee behaviors that will be recognized in our employee appreciation program? What do we want more of in our organization?

## What?

Why will these actions and behaviors be rewarded? Do these actions and behaviors support our company's purpose and core values? How can they support our organization in achieving the ultimate business goals?

## Why?

How will those actions and behaviors be recognized? Will certain actions and behaviors have more value than some others? How will the recognition and rewards be distributed? How and by whom will they be approved?

## How?

Who will be recognizing employees for those actions and behaviors? Manager only or anyone in the organization? Certain department or geographic locations?

## Who?



# Reason for Recognition Worksheet

DATE

mm/dd/yy

PROJECT NAME

Employee Recognition

DEPARTMENT

Human Resources

PROJECT MANAGER

name

PRIORITY

high

What activity or behavior will be recognized?	Who can recognize for this?	Value for this activity/behavior?

RECOGNITION OPTIONS

What are the recognition options for this activity/behavior?

GOALS: OUTCOMES EXPECTED FROM RECOGNIZING THIS ACTIVITY/BEHAVIOR

Outcome 1	Outcome 2	Outcome 3

## 9. Ensure Attractive Gift Options for Everyone

Will the gifts be motivating enough to employees?

If you are implementing a monetary recognition program, it is very important to **choose the right gift options and catalogs** from which employees will be able to buy gifts or redeem their recognition points. Here, **implementing the right recognition software** plays a crucial role as various vendors have various gift options to choose from. If possible, go with the vendor that has the highest variety of available gift options as this is the only way

to **cover most of your employees' preferences.**

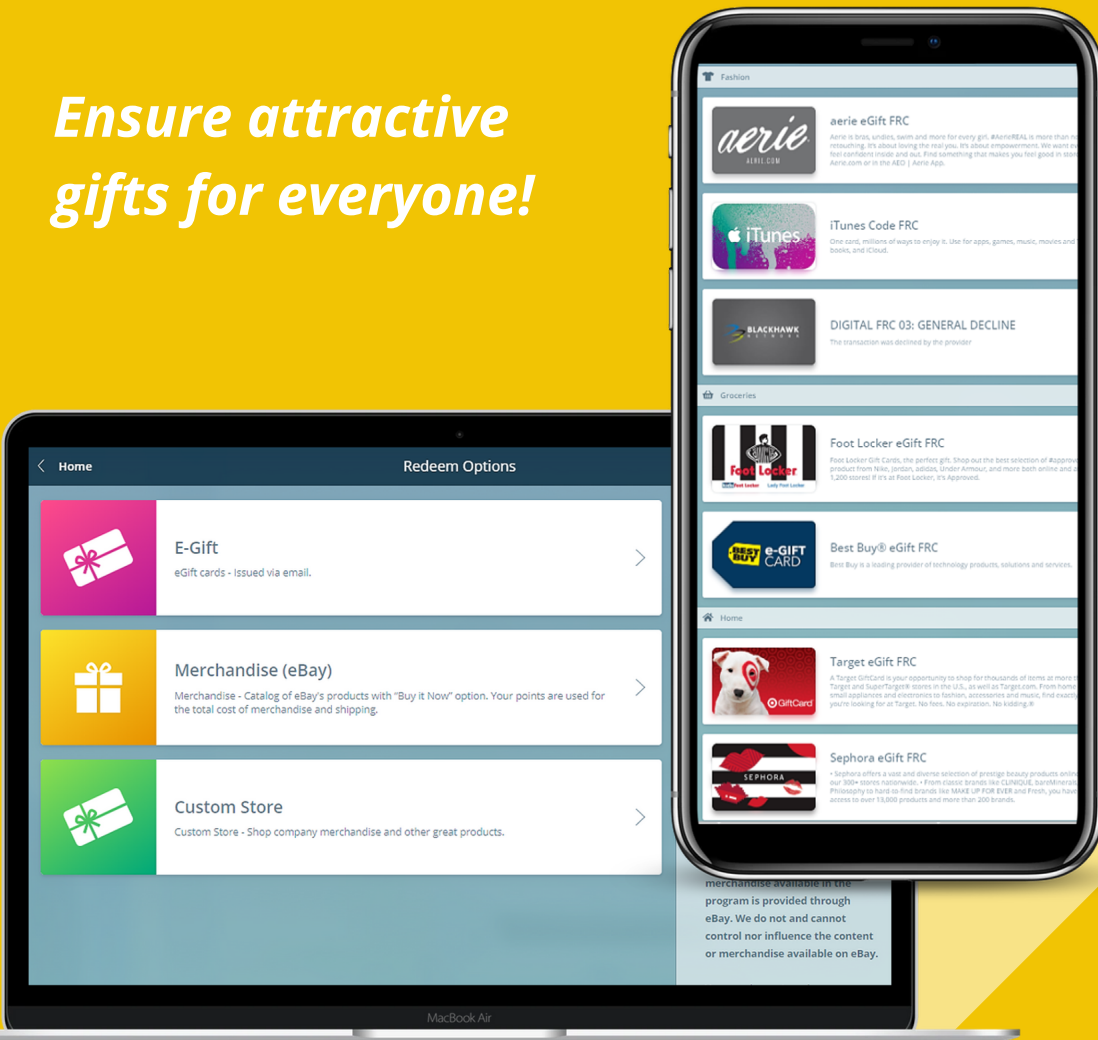
In addition, look for the vendors that offer various gift options in all the countries where your company operates.

You want to make sure that you can implement the recognition program company-wide, and not just in some of the countries.

**100%**  
*of staff who received a simple "thank you" said that increased their morale.*



*Ensure attractive  
gifts for everyone!*



## Gift Cards



## Dine Out



## Travel & Leisure



## Cash Awards



## Thank You Cards



## eCommerce



## Custom Store



## Health & Wellness



## Hobbies



# 10. Make Recognition Fun and Easy for Employees to Use

**How can you increase employee adoption and engagement with the program?**

In order to have a successful employee recognition program, it is very important to **make it fun, user-friendly, addictive and easy to use**. Remember that the success of your employee recognition program is directly related to your employees willingness to participate and their satisfaction with the program overall.

Therefore, when choosing your employee recognition software provider, make sure to look for a vendor that **has features around gamification, social recognition, team collaboration** and other. These features have proved to have a positive influence on the end-user adoption rates. Remember however, that some of these features may work better or worse depending on the office location and, therefore, **cultural differences**. For example, gamification may work better in some cultures than the others.



# HOW TO MAKE RECOGNITION FUN AND EASY FOR EMPLOYEES?

## Give It a Creative Name

The name will determine your overall brand and theme of the recognition program and, of course, this is the name your **employees will use over and over again** as they engage with the program.

## Add Gamification to It

Gamifying the whole recognition experience **often increases user-adoption**. Features such as leaderboards track in real time the best nominators, nominees and rankings of your recognition programs.

## Make It Social

Recognition should be transparent and visible to others as employees like to **showcase their achievements** and rewards. This way, employees can share, like and comment on their colleagues' recognitions.

## Ensure Mobile-Access & User-Friendly Interface

We all know how much time employees spend on their mobile phones. In order to adapt to employees' lifestyles, **recognition programs tools should be mobile-friendly** and intuitive.

## Provide Email and Card Templates

In order to make recognition easier to your employees, you can **provide pre-set email and "thank you" card templates** or certifications.



**GET FREE TEMPLATES**

## Connect with Employees' Favorite Tools

If you are using tools such as MC Teams or Slack for internal communication, your employees **should be able to recognize coworkers through these tools**.

# Fun Employee Recognition Program Names

Kudos

High Five!

Star Awards

Inspire  
Awards

Simply Thanks

Achievers

AllStars

Applause

Above & Beyond

The Extra  
Mile

You Rock!

Shine

YOU NAME  
IT!

Cheers!

Bravo!

# 11. Ensure That the Recognition Program Is Fair

**Are there equal opportunities for employees around the globe?**

The same amount of money may have completely different purchasing power depending on a country.

Therefore, your recognition programs **should be adjusted based on your employees' locations.**

When choosing an employee recognition software provider, make sure to **look for a feature that automatically adapts the purchasing power of each country** where your employees are located using services such as the mercer soli purchasing power index.

This way, you can set up a fair recognition program with equal opportunities and purchasing power for all of your employees across the globe!



## 12. Communicate Internally to Increase Participation

How to keep employees aligned, engaged and informed?

This is probably **the most important step** in the whole process. In other words, if you do everything else but this step right, your employee recognition program will not be successful.

**Proper internal communication** before and during the recognition program implementation ensures that the employees are aligned with the processes and procedures and that they **understand the reasons behind this initiative**.

As we have implemented recognition programs with global companies across the world, we have witnessed the cruciality of this step.





# ***Engage your employees in creation of new Recognition and Rewards Programs***

In comparison with low-performing organizations, high-performing organizations are

**4X**

more likely to **pilot new rewards offerings before company-wide implementation**

and

**5.5X**

more likely to **involve employees in designing and launching new rewards programs**

Source: Bersin by Deloitte

***Listen to your employees and utilize surveys to help you design your Recognition and Rewards Program. Upon its launching, ensure your employees' involvement by communicating internally.***

# How Can You Encourage Employees to Participate Using Internal Communication and Marketing?

## Explain the impact of the program.

Internal communications professionals, leaders and managers should understand the importance of **explaining the values and expected outcomes** of the recognition programs to all employees. As building a culture of appreciation is a positive initiative to bring into the organization, most of employees will support you in this initiative if you communicate honestly and openly about it. **Make sure that employees are on the same page with you!**

## Carefully communicate the policies and procedures.

If you want your employees to participate in the recognition program, **they have to be well informed about all the policies, procedures and best practices** for giving recognition to their coworkers. Remember that employees are usually resistant to change. However, the main reason behind that is uncertainty. Therefore, you should **answer all of your employees' questions** on how, when, why and who can give recognition in the organization.

## Be creative when launching and promoting the program internally.

"You only get one chance to make a first impression!" **Show employees how engaging and exciting your program will be.** To create some buzz, you could launch it with a fun video, create a teaser or countdown campaign, go on a recognition roadshow or do desk drops of branded material so it's always on view. The bigger the impact your recognition program has from the start, the more it will be remembered and used throughout your company on an ongoing basis.

## What's in it for me? Explain how employees are benefiting from this initiative.

Getting recognition, bonuses, gift cards and other awards is motivating to employees. Therefore, when communicating with employees, make sure to **point out the benefits employees will get when participating in the program.** Who doesn't want recognition and rewards?

# 13. Educate Your Employees

**How can we ensure that employees give meaningful recognition to their colleagues?**

Yes, recognition needs to be fun before all. The fun nature of it is the reason why recognition programs have a very good user adoption rates.

However, giving recognition just to have fun is not the right way to do it.

**There are specific rules, norms and best practices for giving meaningful recognition** to employees. If your goal is to get the best out of your recognition program, you need to **make sure to educate your employees** about how to give recognition that will

have a meaning to whoever is receiving it.

Also, if you give employees clear instructions, **they will have less uncertainties and they will feel more secure** about how to give recognition.

This is especially true for large corporations within which employees are more used to have structured processes and guidelines.

**39%**  
***of staff feel underappreciated at work.***

# EMPLOYEE RECOGNITION CHEATSHEET

## For Employees

**PURPOSE: HOW TO GIVE  
RECOGNITION TO YOUR  
COLLEAGUES**

**PREPARED BY:**

### BE SPECIFIC, BRIEF AND RELEVANT

Be specific whenever you can. State what action or behavior are you appreciating an employee for, and point out why is this action important for the team, department or your organization. Make it to the point. Get the message across, but do not take too much of your employee's time to read it.

### PERSONALIZE THE EXPERIENCE

Always include your colleague's name when sending an appreciation card or a gift. If you are choosing the gift, choose wisely. You want to make sure that they like what they get.

### RECOGNIZE PUBLICLY

Make a public recognition! Let the others know about how your colleague has helped or inspired you. This is an excellent way for others to learn about the desired behaviors and actions.

### RECOGNIZE IN A TIMELY MANNER AND USE THE 7:1 RATIO

If you want to appreciate a teammate, do so while the experience is still fresh. Don't wait for days to recognize someone. Also, ensure you have seven times as many positive interactions with employees compared to negative ones. This helps to build stable relationships. Of course, make those interactions genuine and not forced.

### LOOK FORWARD

Express your enthusiasm for similar actions in the future. As a result, you will encourage your employees to display more of what you are appreciating them for.

### RECOGNIZE FREQUENTLY

Creating a culture of appreciation doesn't happen overnight. However, frequent recognition helps making recognition an every-day habit. Don't be shy, and show gratitude to your teammates.

# YOUR EMPLOYEE RECOGNITION CHEATSHEET

PURPOSE: HOW TO GIVE  
RECOGNITION TO YOUR  
COLLEAGUES

PREPARED BY:



## RULE 1

## RULE 2

## RULE 3

## RULE 4

## RULE 5

## RULE 6

# 14. Measure the Impact of Your Recognition Program

Are we meeting the defined goals?

Another important step when planning and implementing an Employee Recognition program is **to set clear goals**. Why? So that **you can measure the impact** of the new initiative and tie it back to the defined goals.

Remember, without measurement there is no improvement!

If you, for example, have historical data on employee turnover, it is pretty simple to **compare the data from before and after the recognition program** is implemented.

If you have data on the number of employee referrals, you can easily see by how much has the number increased due to the recognition program.



# MEASURING THE OTCOMES OF EMPLOYEE RECOGNITION



GOAL	BEFORE RECOGNITION	AFTER RECOGNITION	DIFFERENCE
REDUCE TURNOVER			
INCREASE ENGAGEMENT			
MORE REFERRALS			
REDUCE HEALTHCARE COSTS			
REDUCE THE NUMBER OF ACCIDENTS			
INCREASE THE NUMBER OF REALIZED PROJECTS			
IMPROVE CUSTOMER SATISFACTION			
IMPROVE CUSTOMER SATISFACTION			



# 69%

*of employees **would work harder** if they felt their efforts were better appreciated*

Source: Aberdeen Group

*organizations with the most sophisticated recognition practices are*

# 12 X

*more likely to have strong business outcomes.*

Source: Bersin by Deloitte



## Conclusion

I hope this guide has demonstrated the **steps necessary for implementing and managing** a successful employee recognition program as part of your employee experience strategy. Remember that every organization is unique and has different needs and capabilities, so **the biggest tip I have for you** is to customize your program for what's right for your business, and for your people.

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