

Top Ten Employee Recognition Blunders

By Richelle Taylor

Scenario: Ela is no longer feeling the love at work. Her 10-year service anniversary went by without fanfare, and she is not happy. Her gloom is spreading to her co-workers, and discontent breeds discontent. Sadly, a simple communication from management would have nipped this in the bud. Ela's employer has a new policy of presenting all service anniversary awards at the end-of-year holiday party, but nobody bothered to tell Ela, who is under the impression her anniversary was overlooked.

OVERVIEW

Poor communication is just one of the top ten mistakes employers make when launching an employee recognition program. (Another mistake was made in the scenario above as well, but we'll get to that later.) A lesson to be learned from this is that the good intentions of an employee recognition program can backfire if the program is not thoughtfully planned. An effective recognition program needs to be immediate, clear and, most importantly, reinforcing. After all, it is the tool that rewards the most important assets of your business – your employees.

So now, let's discuss **what not to do** when launching an employee recognition program.

#1. POOR COMMUNICATION

Clear, concise and frequent communication is vitally important to the success of your program – the reward criteria must be clearly communicated to all participants and stakeholders. Most importantly, the communication must be aligned with the employee behavior your organization wants to reinforce. In addition, communication should be tailored to the audience. In other words, what you say to your employee base is typically going to be different than what you say to managers and executive management. The type of medium used to communicate may also vary. If you fail to clearly communicate your program, the goals and how to reach them, it is likely to fall flat with low employee participation.

#2. NO STRATEGY

Effective communication is great, but the program won't succeed if it's not tied into a strategy based on your company's core values and objectives. Strategic planning is key to making sure all employees understand how their performance directly affects your organization's mission. Once employees see that they are all on the same team, working toward something bigger than themselves, your recognition efforts will begin to yield positive results and in turn your employees will understand their role has meaning.

#3. DELAYED REWARDS

Did you guess the other mistake in the scenario above? Delayed rewards are a big "no-no" in employee recognition programs. Making Ela wait until the end of the year for her Service Anniversary award will just make her disengaged. The most effective employee recognition programs provide meaningful awards in a timely manner to reinforce in a positive way. Employers with a recognition culture offer "on-the-spot" rewards to catch people in the act of doing something great!

#4. LAME REWARDS

Almost as bad as delayed rewards are rewards that your employees think are lame. Today's most motivating recognition programs offer a wide choice of meaningful merchandise, gift card and travel rewards. Your twenty-something new hire in San Diego has different tastes than your veteran employee in Chicago – give them what they want. The days of the one-size-fits-all crystal trophy are behind us.

#5. UNFAIR RULES STRUCTURE

Don't make the mistake of setting unattainable goals for your employees. More importantly, make sure the ability to earn awards is equal across all departments and among all levels. Nothing stirs up discontent more than a program deemed unfair by employees. Enough said.

#6. DISJOINTED PROGRAMS

The next recognition blunder focuses on the number of disparate programs many organizations use to recognize and reward their employees. The larger the organization, the more likely this is the case. Often, upper management isn't even aware of what's being used by individual business units for birthdays, anniversaries and other acknowledgements. This leads to a case of #5 where employees see certain managers/departments as being better to work for than others. If you combine all of your employee recognition efforts into one organized system, you will underscore the importance of your organization's mission, and be better able to effectively communicate and manage the program, control costs and gauge the results.

#7. NO UPPER-MANAGEMENT BUY-IN

Make use of senior management from the start! Perhaps you could have your CEO or company president introduce the program by way of a video. The actions of leadership internally set the tone for success. The CEO involvement could continue by way of weekly blogs on the program website. Programs that embrace corporate culture from the top down reap increased employee buy-in.

#8. YESTERDAY'S TECHNOLOGY

Social media is one of the quickest and most popular forms of communication today. Your employee demographic needs to receive communication from the organization in a variety of ways to truly be effective. Make use of social media and mobile technology to have an impact on your employees 24/7. Today's workers want to share their achievements with friends – and they want to have access to their program information and award opportunities at their convenience. Healthy competition sparks productivity.

#9. LACK OF FEEDBACK

Don't ignore your most important resource. Survey your employees at the start of a program to gauge their wants and needs. Make contact regularly to measure the program's effectiveness and change elements if needed. Changing your program strategy isn't necessarily a sign of failure – it's fine tuning to get the best results.

#10. NO MEASURABLE RESULTS

These days, it's all about the data. The best recognition programs have a direct impact on sales, productivity, turnover and overall employee satisfaction. To ensure your program measures up, you have to report on employee recognition regularly through use of reports, dashboards, analysis and survey results. According to a study by Towers Watson, the earnings of companies with high engagement levels increased by 3.74% whereas those of companies with low engagement decreased by 2%.

CONCLUSION

The good news is that today's most successful organizations have embraced employee recognition and made it an integral part of their culture. In many cases, employee recognition is reinforced with a user-friendly web-based system that tracks individual performance metrics and compensation, communicates and promotes best practices, rewards desired behaviors/outcomes and celebrates success. With a compelling combination of intrinsic and extrinsic motivators, your organization can improve employee passion and productivity – and reap the rewards of higher retention, lower recruiting costs, an expanded customer base, higher revenues and enhanced profitability.

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