

## Five Tips for Effective Employee Recognition

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### How to Reward, Recognize, Award, and Thank People Successfully

Employee recognition is not just a nice thing to do for people. Employee recognition is a communication tool that reinforces and rewards the most important outcomes people create for your business. When you recognize people effectively, you reinforce, with your chosen means of recognition, the actions and behaviors you most want to see people repeat. An effective employee recognition system is simple, immediate, and powerfully reinforcing.

When you consider employee recognition processes, you need to develop recognition that is equally powerful for both the organization and the employee. You must address five important issues if you want the recognition you offer to be viewed as motivating and rewarding by your employees and important for the success of your organization.

#### **The Five Most Important Tips for Effective Recognition**

You need to establish criteria for what performance or contribution constitutes rewardable behavior or actions.

- All employees must be eligible for the recognition.
- The recognition must supply the employer and employee with specific information about what behaviors or actions are being rewarded and recognized.
- Anyone who then performs at the level or standard stated in the criteria receives the reward.
- The recognition should occur as close to the performance of the actions as possible, so the recognition reinforces behavior the employer wants to encourage.
- You don't want to design a process in which managers "select" the people to receive recognition. This type of process will be viewed forever as "favoritism" or talked about as "it's your turn to get recognized this month." This is why processes that single out an individual, such as "Employee of the Month," are rarely effective.

#### **A Working Example of Successful Recognition**

A client company established criteria for rewarding employees. Criteria included such activities as contributing to company success serving a customer without being asked to help by a supervisor. Each employee, who meets the stated criteria, receives a thank you note, hand-written by the supervisor. The note spells out exactly why the employee is receiving the recognition.

The note includes the opportunity for the employee to "draw" a gift from a box. Gifts range from fast food restaurant gift certificates and candy to a gold dollar and substantial cash rewards. The employee draws the



reward, so no supervisory interference is perceived. A duplicate of the thank you note goes into a periodic drawing for even more substantial reward and recognition opportunities.

## More Tips About Recognition and Performance Management

- If you attach recognition to "real" accomplishments and goal achievement as negotiated in a performance development planning meeting, you need to make sure the recognition meets the above stated requirements. Supervisors must also apply the criteria consistently, so some organizational oversight may be necessary.

The challenge of individually negotiated goals is to make certain their accomplishment is viewed as similarly difficult by the organization for the process to be a success.

- People also like recognition that is random and that provides an element of surprise. If you thank a manufacturing group every time they make customer deliveries on time with a lunch, gradually the lunch becomes a "given" or an entitlement and is no longer rewarding.

In another organization, the CEO traditionally bought lunch for all employees every Friday. Soon, he had employees coming to him asking to be reimbursed for lunch if they ate lunch outside of the company on a Friday. His goal of team building turned into a "given" or an entitlement and he was disappointed with the results.

- There is always room for employee reward and recognition activities that generally build positive morale in the work environment. The Pall Corporation, in Ann Arbor, MI, has had a "smile team" that meets to schedule random, fun employee recognition events. They have decorated shop windows, with a prize to the best, for a holiday.

They sponsor ice cream socials, picnics, the "boss" cooks day, and so on, to create a rewarding environment at work. Another company holds an annual costume wearing and judging along with a lunch potluck every Halloween.

Rewards and recognition that help both the employer and the employee get what they need from work are a win-win situation. Make this the year you plan a recognition process that will "wow" your staff and "wow" you with its positive outcomes. Avoid the employee recognition traps that:

- single out a few employees who are mysteriously selected for the recognition,
- sap the morale of the many who failed to understand the criteria enough to compete and win, and
- sought votes or other personalized, subjective criteria to determine winners.

