



Using Metrics to Prove the ROI of Employee Recognition Programs



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Last month in Chicago, Rideau Recognition Solutions, a world leader in web-based employee recognition programs, launched the U.S. version of their global roundtable series on employee recognition in the workplace. At this seminar, participants in Calgary, Alberta and now, Chicago, have enthusiastically delved into the latest research on the use of employee recognition and rewards techniques in the workplace.

Rideau is now preparing for future *Real Recognition Roundtables* in India, London, Paris and Houston. I checked in with their newly promoted Chief Marketing Officer, Jennifer Lumba, to discuss the growing use of metrics in the employee recognition business, the importance of this trend and its growing influence for global businesses. With over 10 years at Rideau in marketing, client services, and recognition program design, Jennifer Lumba has a grasp on the impact of employee recognition like no one else. She believes there has never been a more important time for the recognition industry to make the connection between business objectives and employee recognition programs, and metrics are critical to proving that connection.

Lumba says that in this challenging economy, enterprises and small businesses need to keep employee morale, motivation, initiative, productivity and retention remain high. Why is that so? According to an





April 2011 Deloitte survey on what talent expects and how leaders are responding, among employees surveyed, only 35 percent expected to remain with their current employer. Among the same employee respondents, 45 percent predicted an increase in employee turnover from 2011 to 2012. World at Work, a total rewards research and trade organization, reports that the use of recognition programs to motivate specific employee behaviors has increased from 9- to 34 percent between 2008 and 2011.

Lumba believes this points to evidence that companies must focus on the recognition not the rewards, reinforcing desired behaviors that contribute to positive business results. So, at only 34, how did this CMO get so wise? I asked her and here is what she had to say.

What is it like to be a female CMO at Rideau?

Purposeful. I appreciate being given the opportunity, as CMO at Rideau Recognition Solutions, to promote recognition as the strategic business tool that it is. So often, employee recognition is viewed as a feel good bonus with intangible results on the business' bottom line. My job as CMO at Rideau allows me to demonstrate to people in many different industries that recognition is not that, that technology today allows us to target particular types of recognition to specific employee behaviors that have an impact on the bottom line. I am particularly motivated, that as a woman, I work with other women to empower them to present to their senior leadership the real strength of recognition in terms of significant reductions in employee turnover and increased productivity. I am greatly honored to have achieved this position and I hope to be a worthy role model for other women trying to break into senior positions within their organizations.

Do male and female employees need different types of recognition?

Let me answer that in two parts: giving & receiving. In my experience, women often feel more comfortable with giving recognition than men because we are not afraid to embrace the more emotional side of this strategic business tool. However, both genders appreciate the importance of relationship building. Women and men often approach this challenge from different perspectives, which is why recognition plays such an important role. Recognition provides the most consistent ROI allowing employees to solidify relationships with each other in ways that are meaningful for both the giver and the receiver. A well designed recognition strategy, offers both women and men the flexibility to use





recognition in a way that is most comfortable for them while maintaining alignment with the company's core mission, vision and values.

As for receiving, we have found that male and females don't need different types of recognition but rather that often male and female employees are motivated by different factors. According to a 2004 Northwestern University Institute for Policy Research study of motivation, men tend to prefer autonomy at work, perhaps correlated with the desire for importance. Women are more motivated by the opportunity to work with others and to build relationships with coworkers, especially within teams or work groups. The study notes more common "communal behaviors" among women at work, including smiling and interpersonal relationship building. These types of differences in gender motivations are why a well-designed recognition strategy is so important to allow employees to recognize and be recognized in ways that are motivating to them.

What are some of the trends in employee recognition that have really caught your eye?

The biggest trend I see in employee recognition is the need to tie recognition initiatives to overall business outcomes. Particularly in a tight economy, business leaders are looking for the most cost effective way to reduce turnover, curb absenteeism, increase productivity and ensure optimal employee engagement. Recognition is the most cost effective and strategic business tool to enable business leaders to achieve long lasting results.

What advice do you have for other female executives looking to climb the corporate ladder?

Work hard and embrace the personality traits that make you uniquely female. So often, I see women trying to hide their more sensitive side to appear less emotional in a business setting. I strongly believe that while always remaining professional, our more sensitive side can be our most powerful tool to building strong, lasting business relationships with our peers. Don't be afraid to share your passion for the job; strategic business leaders will recognize this trait as foundational to earning the respect of all employees. It is this level of passion that engenders loyalty among staff and motivates employees to achieve overall business objectives.

