

Trends in Employee Recognition

A report by
WorldatWork
May 2011

 research


WorldatWork[®]
The Total Rewards Association

About WorldatWork®

The Total Rewards Association

WorldatWork (www.worldatwork.org) is a not-for-profit organization providing education, conferences and research focused on global human resources issues including compensation, benefits, work-life and integrated total rewards to attract, motivate and retain a talented workforce. Founded in 1955, WorldatWork has nearly 30,000 members in more than 100 countries. Its affiliate organization, WorldatWork Society of Certified Professionals®, is the certifying body for the prestigious Certified Compensation Professional® (CCP®), Certified Benefits Professional® (CBP), Global Remuneration Professional (GRP®), Work-Life Certified Professional™ (WLCP®), Certified Sales Compensation Professional™ (CSCP™), and Certified Executive Compensation Professional™ (CECP™). WorldatWork has offices in Scottsdale, Arizona, and Washington, D.C.

The WorldatWork group of registered marks includes: Alliance for Work-Life Progress® or AWLP®, workspan®, WorldatWork® Journal, and Compensation Conundrum®.



Contact:

WorldatWork Customer Relations

14040 N. Northsight Blvd.

Scottsdale, Arizona USA

85260-3601

Toll free: 877-951-9191

Fax: 480-483-8352

CustomerRelations@worldatwork.org

©2011 WorldatWork Any laws, regulations or other legal requirements noted in this publication are, to the best of the publisher's knowledge, accurate and current as of this report's publishing date. WorldatWork is providing this information with the understanding that WorldatWork is not engaged, directly or by implication, in rendering legal, accounting or other related professional services. You are urged to consult with an attorney, accountant or other qualified professional concerning your own specific situation and any questions that you may have related to that.

No portion of this publication may be reproduced in any form without express written permission from WorldatWork.

Introduction & Methodology

This report summarizes the results of a January 2011 survey of WorldatWork members to gather information about current trends in recognition programs. Specifically, the research is designed to measure specific types of recognition programs and the impact on the workforce.

On Jan. 19, 2011, survey invitations were sent electronically to 5,302 WorldatWork members. Members selected for participation were all members that specified total rewards as their specific function area along with randomly selected members who had designated a responsibility level of executive, top or senior-level responsibility area. The survey was open to all members meeting specific criteria domestic, Canadian and foreign.

The survey closed on Feb. 4, 2011, with 677 responses, a 13% response rate. The data set was cleaned, resulting in a final data set of 641 responses.

In order to provide the most accurate data possible, data was cleaned and analyzed using statistical software. Any duplicate records were removed. Data comparisons with any relevant, statistically significant differences are noted with this report.

The demographics of the survey sample and the respondents are similar to the WorldatWork membership as a whole. The typical WorldatWork member works at the managerial level or higher in the headquarters of a large company in North America.

The frequencies or response distributions listed in the report show the number of times or percentage of times a value appears in a data set. Due to rounding, frequencies of data responses provided in this survey may not total exactly 100%.

Table of Figures

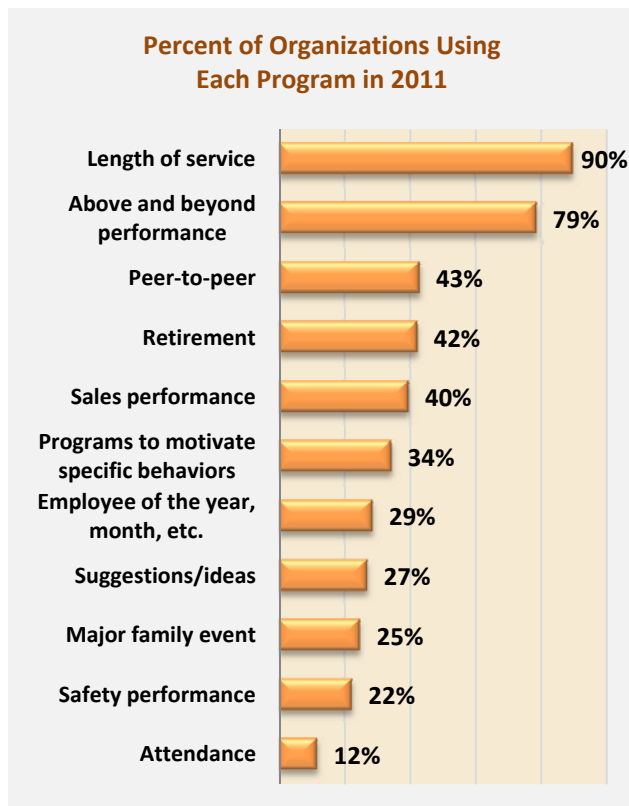
Figure 1: Prevalence of Recognition	6
Figure 2: Elimination of Recognition Programs in the Past 12 Months.....	6
Figure 3: New Recognition Programs.....	6
Figure 4: Prevalence of Recognition Programs Timeline	7
Figure 5: Types of Recognition Programs	7
Figure 6: Recognition Program Trends	8
Figure 7: Number of Recognition Programs Offered	9
Figure 8: Change in Recognition.....	9
Figure 9: Company-Wide vs. Department-Specific Recognition.....	10
Figure 10: Formality of Recognition.....	10
Figure 11: International/Global Employees	11
Figure 12: Recognition for International/Global Employees	11
Figure 13: Recognition Strategy.....	12
Figure 14: Recognition and Organizational Strategy.....	12
Figure 15: Recognition Objectives	13
Figure 16: Success of Recognition Program	13
Figure 17: Measuring Success of Recognition	14
Figure 18: Department Administration of Recognition Programs	14
Figure 19: Position Administration of Recognition Programs	15
Figure 20: Budgeting for Recognition Programs	15
Figure 21: Percentage of Payroll Budget for Recognition Programs	16
Figure 22: Budget for Recognition Programs (Centralized or Departmental)	16
Figure 23: Media Communication of Recognition Programs	17
Figure 24: Training for Managers About Recognition Programs	17
Figure 25: Training Methods Used for Managers About Recognition Programs	18
Figure 26: Senior-Management Support for Recognition Programs.....	18
Figure 27: Senior-Management View of Employee Recognition Programs.....	19
Figure 28: Presentation of Recognition Awards	19
Figure 29: Types of Recognition Awards (Items)	20
Figure 30: Electronic Communication of Recognition Awards.....	21
Figure 31: Perceived Workforce Effect of Recognition Awards	22
Figure 32: Attraction and Recognition Awards	22
Figure 33: Recognition Programs by Organization Size.....	23
Figure 34: Recognition Programs by Organization Type.....	24
Figure 35: Level of Support From Senior Management and Engagement	25
Figure 36: Level of Support From Senior Management and Satisfaction	25
Figure 37: Level of Support From Senior Management and Motivation	25
Figure 38: Offer Recognition Programs and Voluntary Turnover Rates	26
Figure 39: Recognition Program by Type and Voluntary Turnover Rates	26
Demographics	27
Figure D1: Number of Employees	27
Figure D2: Organization Type	27
Figure D3: Voluntary Turnover	28
Figure D4: Industry.....	28

Executive Summary

Recognition: A Total Rewards Staple

Overall prevalence. In the past decade, WorldatWork has found that recognition programs continue to hold their place in the total rewards toolkit. Most organizations (86%) have recognition programs in place and 70% of those offer between three and six different programs. (See Figures 1 and 7.) Specific applications may change as the environment, economy and labor markets shift, but new data suggests that even with a recession and some visible blips in the data over the past few years, recognition programs remain an important variable in the total rewards equation.

Although slightly fewer organizations are using recognition, the use of each type of program (e.g. length of service, above-and-beyond performance, etc.) is on the rise. In 2011, the number of organizations using recognition fell slightly to 86%, but the prevalence of most specific recognition programs increased. (See Figures 4 and 6.) The discrepancy between trend lines was evident in 2008 as well but to the opposite effect; data on the overall use of recognition held steady while participants reported the lowest levels of specific program usage across the five iterations of this survey back to 2002.



Length-of-Service Programs are Most Common; Recognition to Encourage Specific Behaviors is on the Rise

Prevalence of programs. The most common types of recognition programs have remained fairly constant from survey year to survey year. Once again, recognition of tenure or length of service and programs that acknowledge performance that is above and beyond the call of duty are most widely used. Peer-to-peer, retirement and sales performance recognition round out the top five, all used at about four in every 10 participating organizations. (See Figure 5.)

Length of Time in Use. Retirement and length-of-service recognition programs have been in use for a long time — at least five years and probably many more for most. (See Figure 5.) But organizations continue to leverage newer programs that can have a more direct impact on business results such as above-and-beyond performance, peer-to-peer and suggestion/idea programs, as well as programs to motivate specific behaviors. In fact, the majority of these programs in use today were first implemented

within the past five years. Programs to motivate specific behaviors, in particular, have climbed in usage by 9 percentage points to 34% since 2008. (See Figure 6.)

Most Recognition Practices Have Not Changed Much Since 2008

Formality and strategy. Nearly three quarters of organizations have both formal and informal recognition programs in place (72%), but formal is still the most common approach as an additional 23% have formal programs only. (See Figure 10.) Considering how formal recognition programs tend to be, only 55% of respondents indicated that there is a written strategy behind their organization’s recognition program. (See Figure 13.)

Company-wide versus department-specific. Company-wide recognition programs are widespread, offered by nine in every 10 organizations (88%). Also common are department/unit-specific programs (66%) and about half offer both types of recognition: company-wide and department specific. (See Figure 9.)

Goals and award types. The top objectives of recognition from 2008 as well as the most common types of recognition awards remain the leaders, with only slight changes to percentages this year. See boxes.



Amount budgeted.

Organizations are budgeting an average of 2.0% of the payroll budget to be used for recognition programs (which is down from 2.7% in 2008); however, the median amount budgeted in 2011 is 1%. The mode — or most common response — was also 1%.

Recognition delivery settings. When recognition is delivered, a one-on-one setting with the manager is most common at 68%, with special events and staff meetings also regular settings at over half of organizations.

Global recognition. Of the half of participating organizations with employees outside of North America, four in every 10 indicated that international/global employees participate in all or most of the same recognition programs as North American employees. Twenty percent said that non-North American employees have their own programs. (See Figure 12.)

Administration. Human resources is responsible for administering recognition programs at about half of participating organizations (53%). The responsibility varies at remaining organizations.

Training for managers. Organizations typically are *not* training managers about their recognition programs. Only 14% of organizations do provide some training on recognition to managers, but when they do, it is usually done through in-person training sessions (70%).

Senior management buy-in. Only a small percentage of respondents stated that senior management’s support for recognition is low or lacking in their organization; however, only 37% feel senior management actually shows a “high level of support” for recognition; most believe senior management is neutral. There is consistency in these findings since 2008, but senior management is still perceived to be less supportive of recognition than in the first couple of surveys. (See Figure 26.) Interestingly, over half of respondents believe senior management *does* view recognition as an investment rather than expense.

Recognition Perceived to have Primarily Positive Effects

Effects on engagement and retention. Most respondents believe that their workforces would say that the effect of recognition programs on employee engagement, motivation and satisfaction are positive or extremely positive. But they are less confident when it comes to the perceived impact on retention. Only 42% said that they believe the programs have a positive impact on retention.

Recruiting leverage. Organizations are divided on whether or not recognition is typically featured when trying to attract new employees. About half never do and about half do at least some of the time. A full 14% indicated that their organization features these programs regularly when recruiting.

Relationship to turnover. Organizations that offer at least one recognition program and that have a low turnover rate (0%-5%) report statistically more recognition programs in place than the medium or high turnover categories. Conversely, though, organizations with lower turnover are also more likely to not offer any recognition programs to employees. One possible explanation is that organizations may view implementing recognition programs as a response to address rising turnover rather than proactively implementing such programs when turnover is low or absent.

Results and Analysis

Figure 1: Prevalence of Recognition

“Does your organization currently have recognition programs in place?” (n=641)

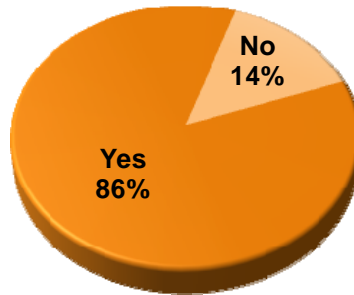


Figure 2: Elimination of Recognition Programs in the Past 12 Months

“Have you eliminated any recognition programs in the past 12 months?” (Check all that apply.)

Only participants answering “Yes” in Figure 1 received this question.

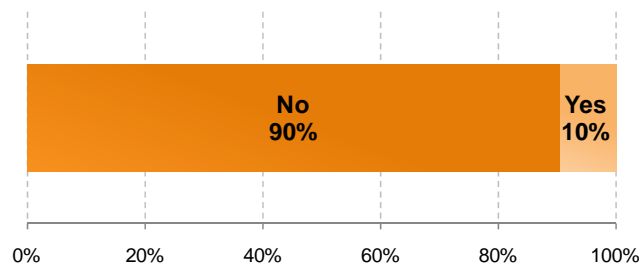


Figure 3: New Recognition Programs

“Are you considering implementing any new or additional recognition programs in the next 12 months?”

Only participants answering “Yes” in Figure 1 received this question.

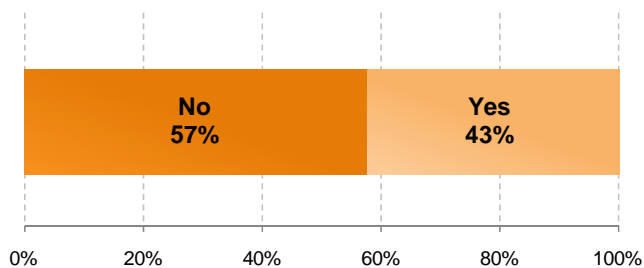


Figure 4: Prevalence of Recognition Programs Timeline

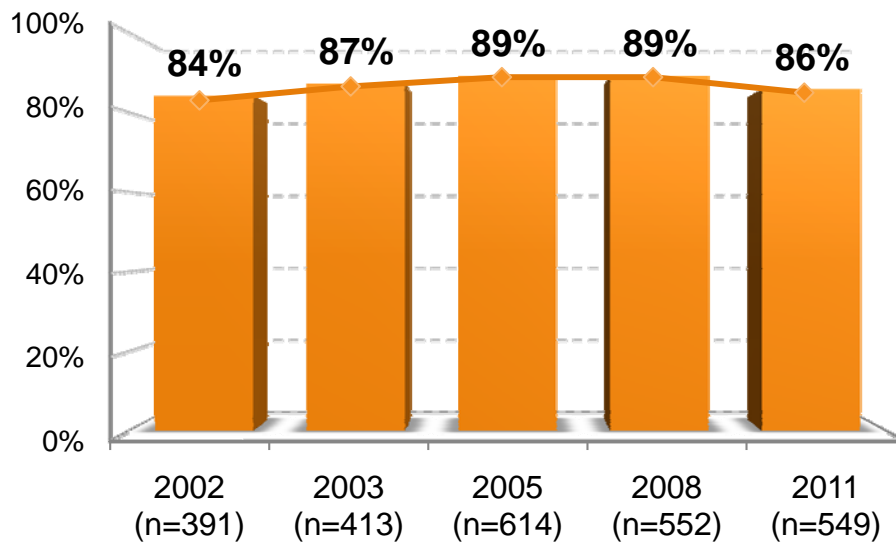


Figure 5: Types of Recognition Programs

Program	Prevalence	Length of time in place			Average percent of employees recognized (Past 12 months)
		Less than 12 months	1 to 5 years	More than 5 years	
Length of service (n=522)	90%	2%	10%	88%	21%
Above-and-beyond performance (n=520)	79%	6%	42%	52%	18%
Peer-to-peer (n=508)	43%	13%	50%	37%	21%
Retirement (n=515)	42%	2%	9%	89%	5%
Sales performance (n=506)	40%	3%	27%	70%	14%
Programs to motivate specific behaviors (n=506)	34%	8%	58%	35%	21%
Employee of the year, month, etc. (n=520)	29%	5%	39%	56%	7%
Suggestions/ideas (n=510)	27%	18%	44%	38%	8%
Major family event (e.g., birth, wedding, etc.) (n=510)	25%	2%	25%	73%	13%
Safety performance (n=514)	22%	3%	27%	71%	29%
Attendance (n=524)	12%	3%	33%	64%	18%
Other (n=278)	27%	n/a	n/a	n/a	n/a

Other programs offered as noted by participants:

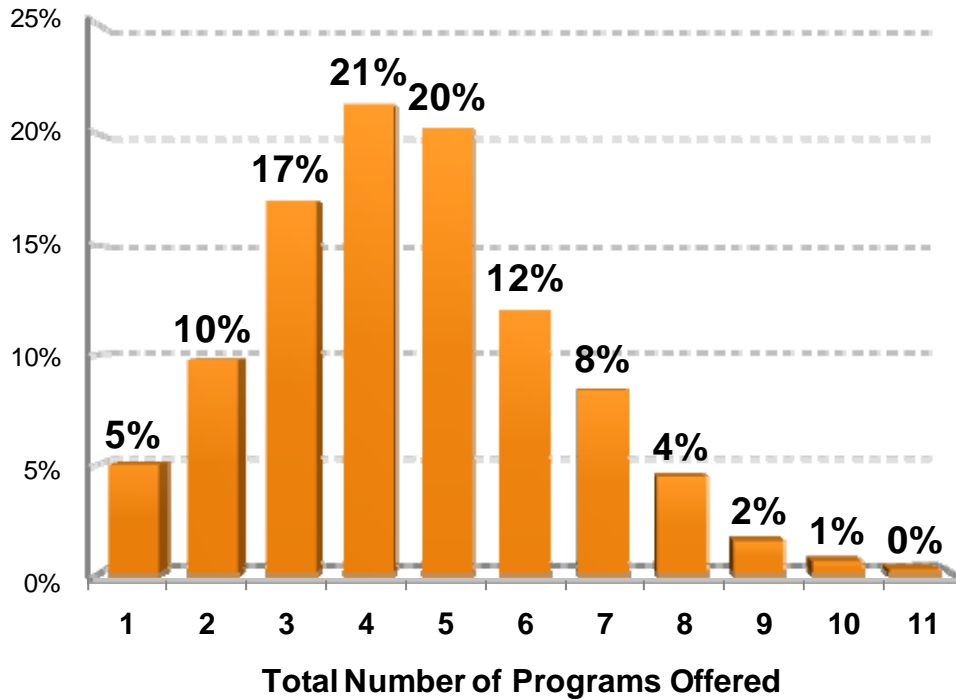
- Spot Bonus
- Wellness
- Employee Referral Bonus
- Project completion/management

Figure 6: Recognition Program Trends

Option	2003 (n=413)	2005 (n=614)	2008 (n=552)	2011 (n=549)
Length of service	87%	89%	86%	90%
Above-and-beyond performance	85%	87%	79%	79%
Peer-to-peer	n/a	n/a	42%	43%
Retirement	n/a	51%	41%	42%
Sales performance	43%	51%	38%	40%
Employee of the year, month, etc.	29%	36%	32%	29%
Programs to motivate specific behaviors	n/a	n/a	25%	34%
Safety performance	28%	33%	25%	22%
Suggestions/ideas	36%	41%	24%	27%
Major family event (e.g., birth, wedding, etc.)	n/a	n/a	19%	25%
Attendance	20%	22%	16%	12%
Other	n/a	n/a	n/a	27%

n/a – Not an answer option in the respective year.

Figure 7: Number of Recognition Programs Offered (n=526)



Average number of programs offered: 4.5
 Median number of programs offered: 4
 Mode number of programs offered: 4

Figure 8: Change in Recognition

“Is there more or less recognition occurring (either formally or informally) in your organization today versus 12 months ago?”

Only participants answering “Yes” in Figure 1 received this question.

Option	2003 (n=358)	2005 (n=599)	2008 (n=551)	2011 (n=333)
More than 12 months ago	40%	40%	35%	31%
Less than 12 months ago	12%	8%	7%	7%
About the same as 12 months ago	48%	52%	58%	62%

Figure 9: Company-Wide vs. Department-Specific Recognition

“What type(s) of recognition programs are in place in your company?” (Check all that apply.)

Only participants answering “Yes” in Figure 1 received this question.

Option	2003 ¹ (n=358)	2005 ² (n=537)	2008 (n=501)	2011 (n=529)
Company-wide	92%	90%	91%	88%
Department/division/unit/region/team-specific	54%	59%	54%	66%
Other ³	3%	3%	4%	8%

About half (51%) of organizations offer company-wide *and* department-specific recognition.

Figure 10: Formality of Recognition

“What style(s) of recognition programs are in place at your company?”

Only participants answering “Yes” in Figure 1 received this question.

Option	2002 (n=327)	2003 (n=358)	2005 (n=535)	2008 (n=505)	2011 (n=530)
Formal – a structured or planned recognition program (e.g., attendance, performance, safety, years of service, etc.)	17%	16%	19%	21%	23%
Informal – a spontaneous gesture of appreciation	10%	9%	9%	9%	6%
Both	70%	72%	71%	69%	72%
Other	3%	3%	1%	0%	n/a

¹ The 2003 survey required respondents to select one option: “company-wide”, “department/unit-specific”, “both” or “other”. The question was changed in 2008 to allow respondents to select all options that apply, without a “both” option. In order to provide a fair comparison to 2008 and 2011 findings, the percentage of respondents who selected “both” were added to “company-wide” and “department/unit-specific” options.

² The 2005 survey required respondents to select one option: “company-wide”, “department/unit-specific”, “both” or “other.” The question was changed in 2008 to allow respondents to select all responses that apply, without a “both” option. In order to provide a fair comparison to 2008 and 2011 findings, the percentage of respondents who selected “both” were added to “company-wide” and “department/unit-specific” options.

³ The change in question format in 2008 to allow respondents to select all options that apply could account, at least in part, for the increase in “other” responses in 2008 and 2011.

Figure 11: International/Global Employees
“Does your organization have employees outside of North America?” (n= 506)
 Only participants answering “Yes” in Figure 1 received this question.

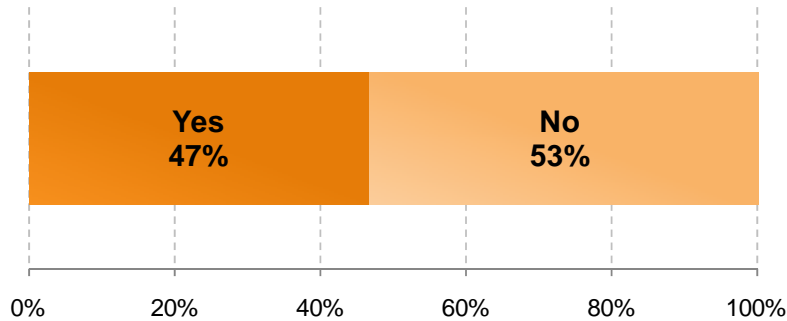


Figure 12: Recognition for International/Global Employees
“Which of the following best describes the recognition programs for these employees?” (n= 224)
 Only participants answering “Yes” in Figure 11 received this question.

Option	Percent
International/global employees participate in all or most of the same recognition programs as North American employees	39%
International/global employees participate in some of their own programs and some of the same programs as North American employees	26%
International/global employees have their own recognition programs	20%
International/global employees participate in a few of the same recognition programs as North American employees	5%
International/global employees do not currently participate in any recognition programs	9%

Figure 13: Recognition Strategy

“Is there a written strategy behind your organization’s recognition programs? (e.g., why they were created, goals, etc.)” (n= 498)

Only participants answering “Yes” in Figure 1 received this question.

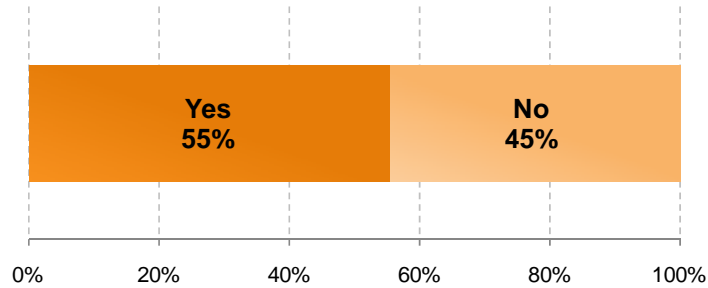


Figure 14: Recognition and Organizational Strategy

“Does your recognition strategy align with your organization’s strategy?” (n= 266)

Only participants answering “Yes” in Figure 13 received this question.

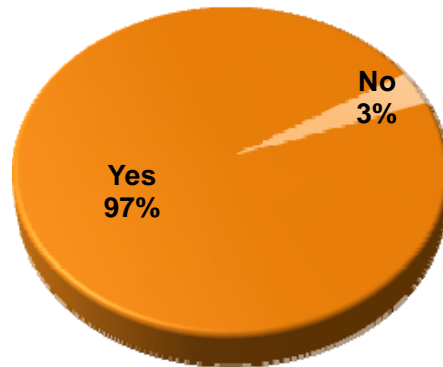


Figure 15: Recognition Objectives

“What are the objectives/goals of your organization’s recognition programs?” (Check all that apply.) (n= 497)

Only participants answering “Yes” in Figure 1 received this question.

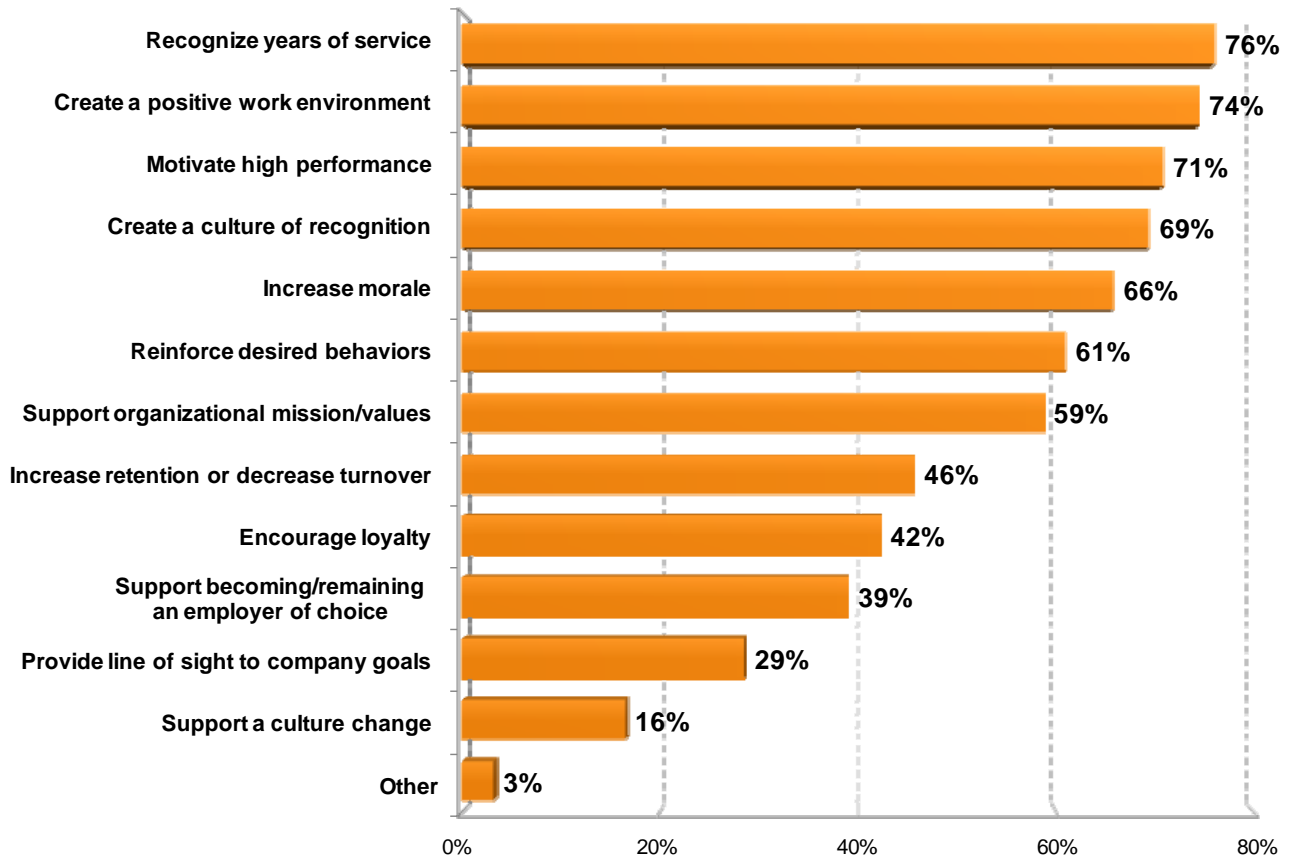


Figure 16: Success of Recognition Program

“Do you feel your programs are meeting the objectives/goals?” (n= 491)

Only participants answering “Yes” in Figure 1 received this question.

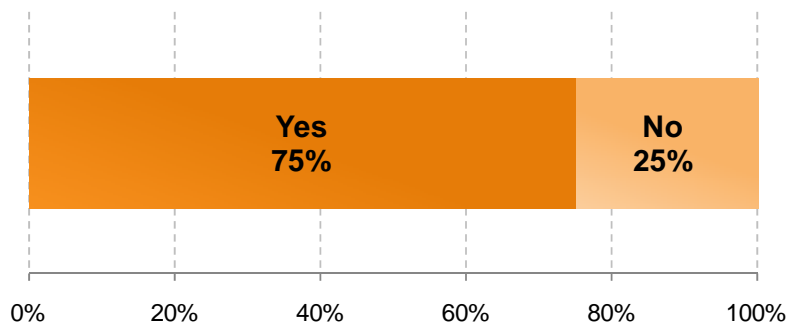


Figure 17: Measuring Success of Recognition
 “What types of measurements for success do you use in your recognition programs?”
 (Check all that apply.) (n= 421)

Only participants answering “Yes” in Figure 1 received this question.

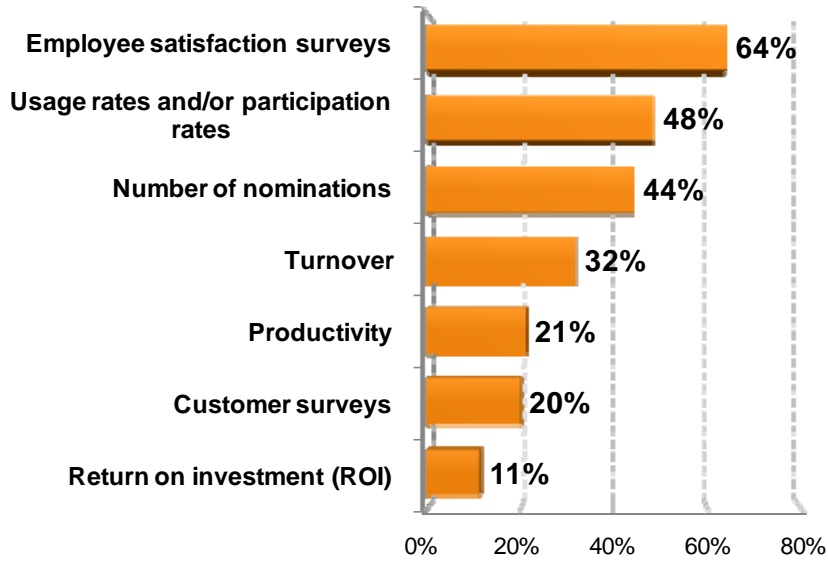


Figure 18: Department Administration of Recognition Programs
 “Which department is responsible for administering the majority of your organization’s recognition programs?” (n= 500)

Only participants answering “Yes” in Figure 1 received this question.

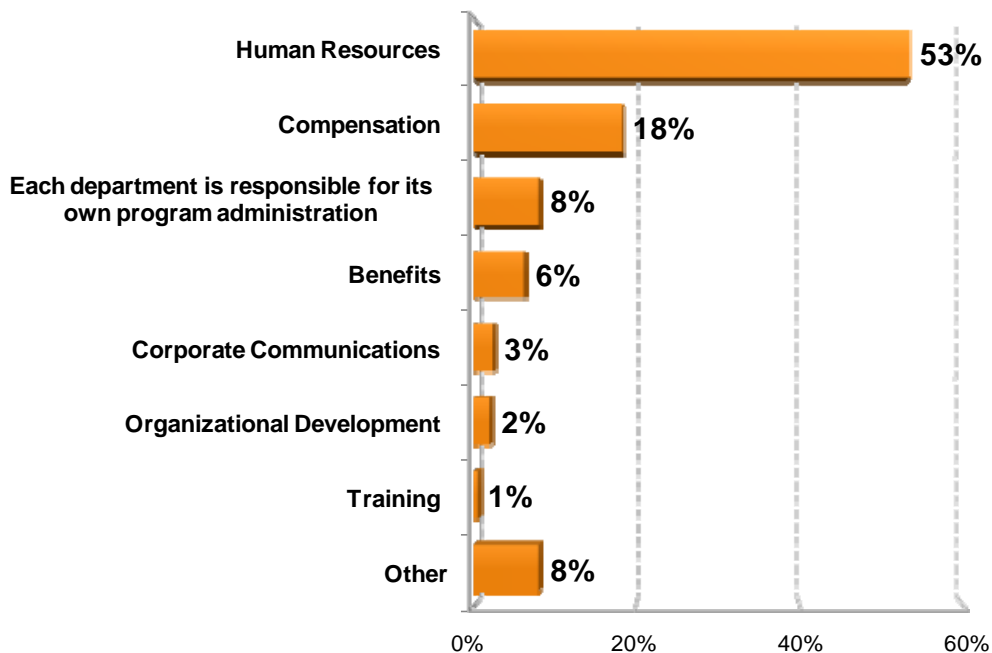


Figure 19: Position Administration of Recognition Programs
 “Which position is responsible for administering the majority of your organization’s recognition programs?” (n= 494)

Only participants answering “Yes” in Figure 1 received this question.

Option	Percent
No one position is responsible for the program, it is a shared responsibility among the department personnel	50%
Position within department above dedicated part-time; please indicate the percentage of this position’s week spent working on recognition programs <ul style="list-style-type: none"> 63% indicated 10% or less of this position’s week is spent working on recognition programs 	30%
Full-time dedicated position(s); if more than one, please indicate the number of full-time recognition positions <ul style="list-style-type: none"> 72% designated 2 full-time dedicated positions 	16%
Other	5%

Figure 20: Budgeting for Recognition Programs
 “Is there a budget for your recognition programs?” (n= 499)

Only participants answering “Yes” in Figure 1 received this question.

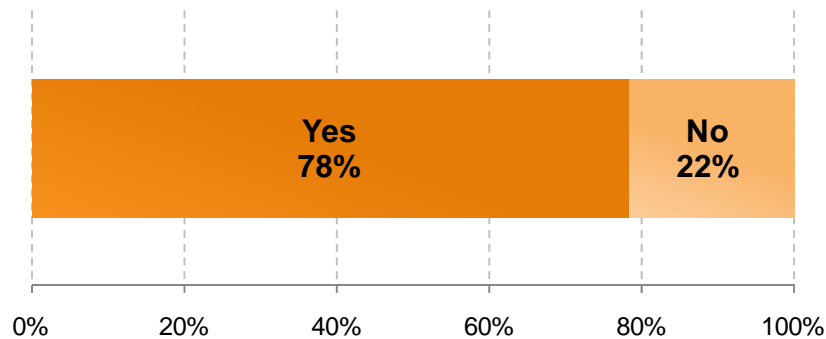


Figure 21: Percentage of Payroll Budget for Recognition Programs
 “What percentage of your payroll budget is used for recognition programs?” (n= 220)

Only participants answering “Yes” in Figure 20 received this question.

Mean	Median	Mode
2.0%	1.0%	1.0%

Distribution of Responses					
0%	0.1%-1.0%	1.1%-2.9%	3.0%-5.9%	6.0%-10.0%	>10.0%
12%	58%	12%	12%	3%	3%

Twenty-nine percent of participating organizations budget exactly 1.0% of their payroll budget for recognition programs, which was the most common response.

Figure 22: Budget for Recognition Programs (Centralized or Departmental)
 “Is the recognition budget:” (n= 377)

Only participants answering “Yes” in Figure 20 received this question.

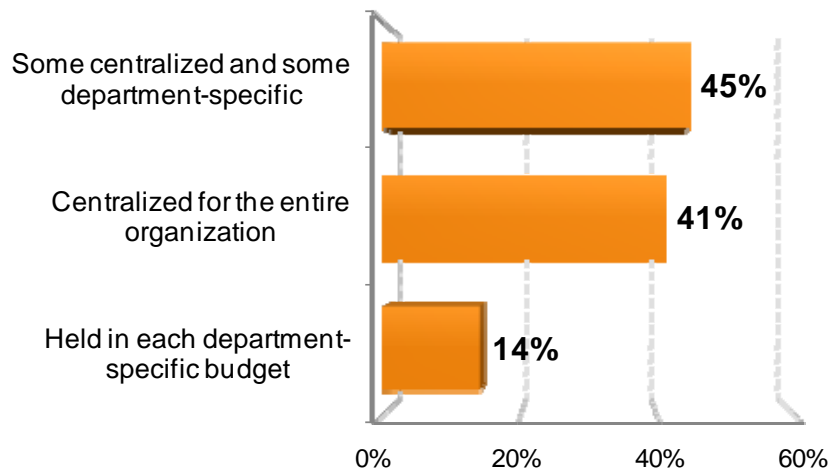


Figure 23: Media Communication of Recognition Programs
 “Which media channels do you use to communicate your recognition programs?”
 (Check all that apply.) (n= 491)

Only participants answering “Yes” in Figure 1 received this question.

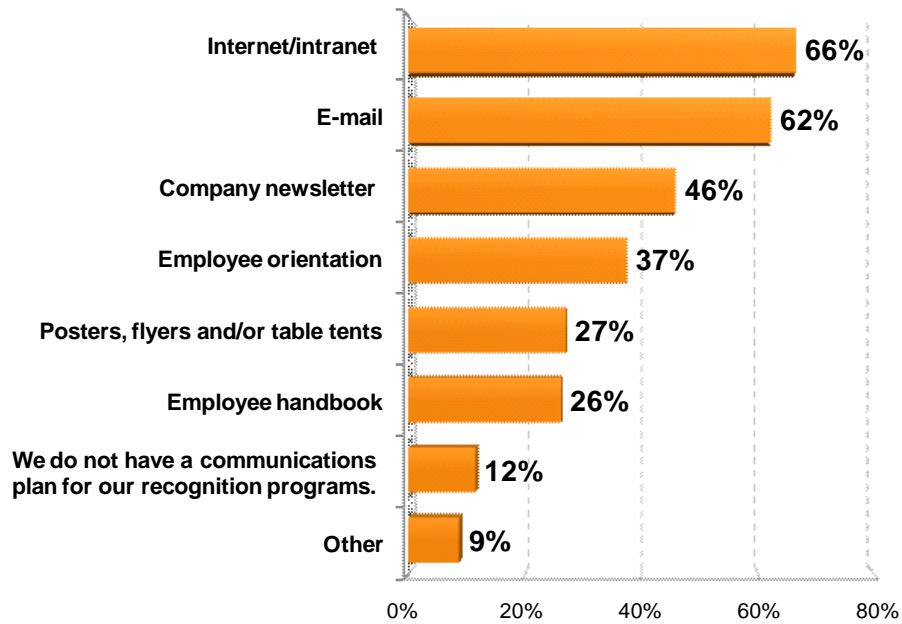


Figure 24: Training for Managers About Recognition Programs
 “Do you have a formal training program for managers about your recognition programs?” (n= 494)

Only participants answering “Yes” in Figure 1 received this question.

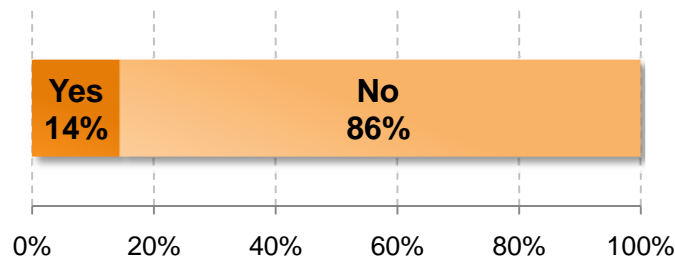


Figure 25: Training Methods Used for Managers About Recognition Programs
“Which formal training methods do you use to train your managers?” (Check all that apply.) (n= 71)

Only participants answering “Yes” in Figure 24 received this question.

Option	2002 (n=329)	2003 (n=112)	2005 (n=124)	2008 (n=94)	2011 (n=71)
In-person training session	76%	75%	69%	80%	70%
Handbook	42%	36%	36%	34%	23%
Online education	34%	21%	36%	32%	51%
Video	6%	10%	8%	7%	10%
Other	10%	12%	17%	7%	n/a

Figure 26: Senior-Management Support for Recognition Programs
“What level of support do you feel your organization’s senior-management team shows for your recognition programs?” (n= 486)

Only participants answering “Yes” in Figure 1 received this question.

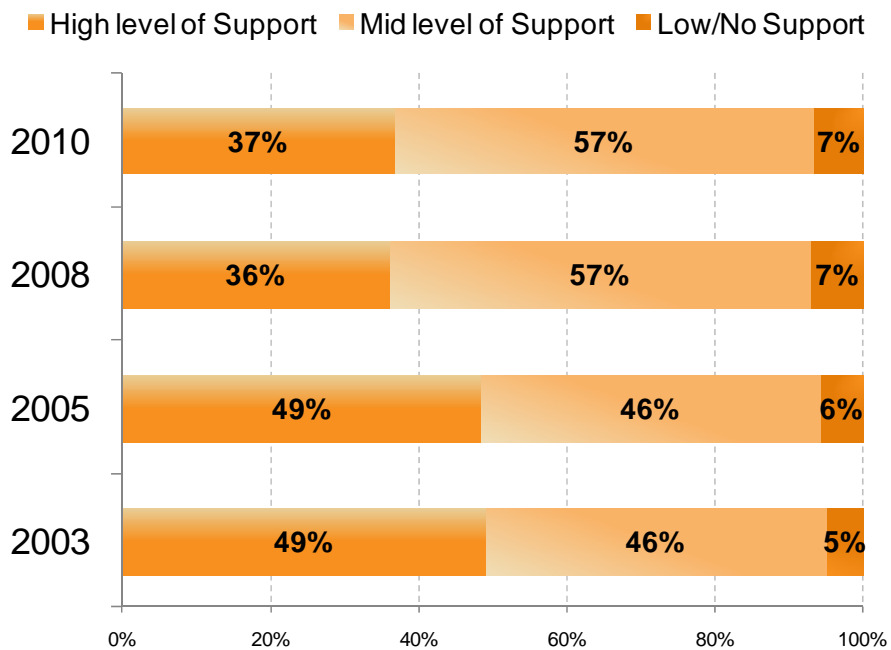


Figure 27: Senior-Management View of Employee Recognition Programs
 “Which of the following best describes how senior management in your organization views employee recognition programs?” (n= 489)

Only participants answering “Yes” in Figure 1 received this question.

Option	2005 (n=534)	2008 (n=492)	2011 (n=489)
As an investment	55%	46%	52%
As an expense	13%	13%	14%
Unsure	32%	41%	34%

Figure 28: Presentation of Recognition Awards
 “How are recognition awards presented?” (Check all that apply.) (n= 493)

Only participants answering “Yes” in Figure 1 received this question.

Option	2002 (n=289)	2003 (n=355)	2005 (n=528)	2008 (n=494)	2011 (n=488)
One-on-one with manager	63%	69%	67%	63%	68%
Special event (e.g., banquet, luncheon, etc.)	65%	63%	70%	57%	57%
Staff meeting	59%	59%	60%	53%	53%
Company-wide meeting	33%	37%	36%	38%	40%
E-mail announcements/notifications	n/a	n/a	n/a	n/a	39%
Intranet announcement	n/a	n/a	n/a	28%	33%
Company newsletter	n/a	n/a	n/a	n/a	29%
Not presented (e.g., mailed to recipient at work or home)	n/a	7%	10%	8%	10%
Other	11%	10%	3%	11%	6%

Figure 29: Types of Recognition Awards (Items)

“What types of items are presented as recognition awards?” (Check all that apply.) (n=488)

Only participants answering “Yes” in Figure 1 received this question.

Option	2002 (n=328)	2003 (n=358)	2005 (n=535)	2008 (n=494)	2011 (n=488)
Certificates and/or plaques	n/a	75%	81%	78%	77%
Cash (Not pay-for-performance or compensation)	58%	63%	58%	60%	62%
Gift certificates for product purchases	63%	57%	57%	51%	47%
Company logo merchandise	n/a	51%	57%	46%	43%
Food (breakfast, lunch, pizza party, etc.)	n/a	n/a	n/a	42%	36%
Timepieces (e.g., watches, clocks, etc.)	28%	33%	21%	30%	32%
Jewelry (e.g., necklaces, lapel pins, bracelets, etc.)	40%	43%	44%	28%	31%
Household items (e.g., crystal, vases, china, etc.)	35%	34%	38%	26%	27%
Office accessories (e.g., desk sets, portfolios, pen/pencil sets, etc.)	41%	41%	38%	25%	26%
Electronics (e.g., cameras, TVs, stereos, etc.)	24%	24%	28%	21%	25%
Recreational items/sporting goods	n/a	n/a	29%	19%	20%
Gift certificates for personal services (e.g., spa treatments, maid service, etc.)	n/a	26%	25%	17%	18%
Travel	14%	17%	21%	15%	15%
Redeemable points	n/a	n/a	n/a	n/a	14%
Other	31%	23%	8%	11%	n/a

Figure 30: Electronic Communication of Recognition Awards
“Do any of your recognition programs utilize electronic media or communication (e.g., Internet/intranet) for any of the following?” (Check all that apply.) (n= 465)

Only participants answering “Yes” in Figure 1 received this question.

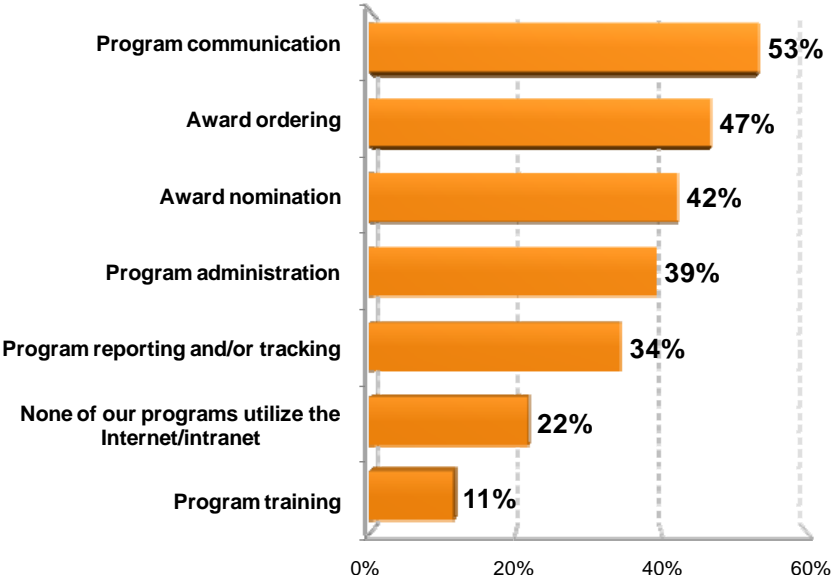


Figure 31: Perceived Workforce Effect of Recognition Awards
 “What would your workforce say is the effect of your organization’s recognition programs on:”

Only participants answering “Yes” in Figure 1 received this question.

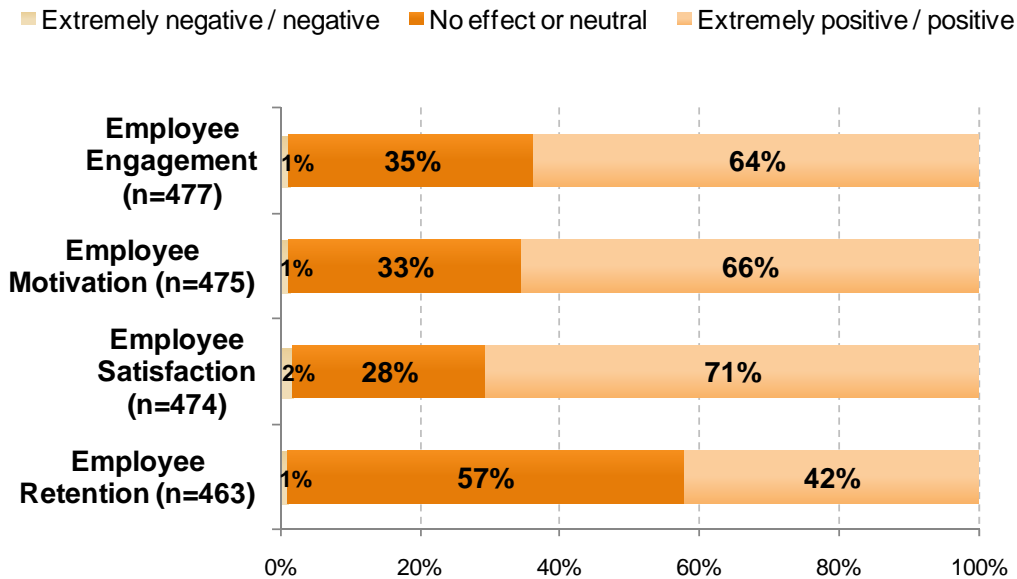
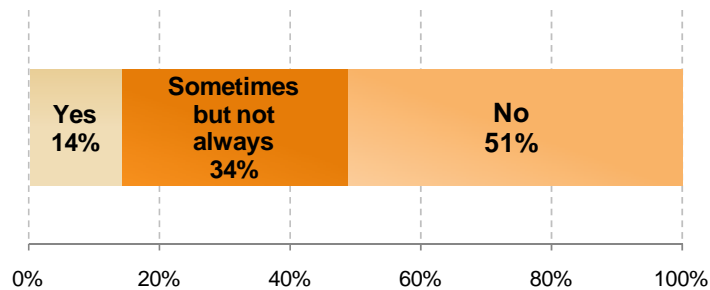


Figure 32: Attraction and Recognition Awards
 “Does your organization feature or market some or all types of recognition programs as a key employee benefit when attempting to attract new employees?” (n= 486)

Only participants answering “Yes” in Figure 1 received this question.



Recognition Programs by Organization Size and Type

Figure 33: Recognition Programs by Organization Size

Option	Prevalence	Less than 100 employees (n=28) ⁴	100 to 499 (n=60)	500 to 999 (n=50)	1,000 to 2,499 (n=72)	2,500 to 4,999 (n=57)	5,000 to 9,999 (n=69)	10,000 to 19,999 (n=46)	20,000 and over (n=106)
Length of service	90%	68%	78%	90%	94%	96%	91%	93%	92%
Above-and-beyond performance	79%	68%	83%	74%	75%	84%	75%	74%	86%
Peer-to-peer	43%	18%	52%	38%	42%	46%	32%	37%	55%
Retirement	42%	29%	35%	44%	54%	49%	39%	41%	33%
Sales performance	40%	46%	28%	38%	36%	32%	35%	41%	50%
Programs to motivate specific behaviors	34%	39%	37%	28%	32%	39%	33%	33%	34%
Employee of the year, month, etc.	29%	21%	27%	18%	22%	35%	33%	39%	32%
Suggestions/ideas	27%	25%	27%	24%	25%	28%	32%	26%	25%
Major family event (e.g., birth, wedding, etc.)	25%	46%	55%	26%	19%	18%	22%	17%	12%
Safety performance	22%	11%	12%	22%	25%	23%	30%	30%	19%
Attendance	12%	7%	13%	16%	7%	9%	9%	22%	12%

⁴ Count for this group is less than 30; data corresponding to larger sample sizes will have stronger statistical power and validity. This group was not included in testing for statistically significant differences.

Figure 34: Recognition Programs by Organization Type⁵

Option	Prevalence	Public sector (n=70)	Non-profit/Not-for-profit (n=172)	Private sector - publicly traded (n=163)	Private sector - privately held (n=84)
Average number of programs offered	4.5	4.4	4.3	4.9 ⁶	4.3
Length of service	90%	93%	92%	83%	96%
Above-and-beyond performance	79%	77%	83%	76%	79%
Peer-to-peer	43%	49%	49%	33%	44%
Retirement	42%	46%	35%	43%	45%
Sales performance	40%	29%	52%	41%	14%
Programs to motivate specific behaviors	34%	27%	37%	31%	39%
Employee of the year, month, etc.	29%	30%	32%	23%	32%
Suggestions/ideas	27%	27%	28%	26%	23%
Major family event (e.g., birth, wedding, etc.)	25%	11%	23%	30%	29%
Safety performance	22%	29%	25%	21%	12%
Attendance	12%	11%	16%	11%	5%

⁵ Due to program combinations and distribution, tests of statistically significant differences were not performed.

⁶ Private sector - publicly traded organizations offer a higher average number of recognition programs (4.9) than private sector - privately held organizations (4.3). (ANOVA p<0.05).

Recognition Programs and Total Rewards

Employee Motivation, Engagement and Satisfaction Relating to Recognition

Figure 35: Level of Support from Senior Management and Engagement⁷

	Extremely negative / negative	No effect or neutral	Extremely positive / positive
Low or no support from senior management (n=31)	6%	81%	13%
Neutral support from senior management (n=268)	1%	42%	57%
High support from senior management (n=176)	1%	16%	83%

Figure 36: Level of Support from Senior Management and Satisfaction

	Extremely negative / negative	No effect or neutral	Extremely positive / positive
Low or no support from senior management (n=30)	13%	57%	30%
Neutral support from senior management (n=267)	1%	35%	63%
High support from senior management (n=175)	0%	11%	89%

Figure 37: Level of Support from Senior Management and Motivation

	Extremely negative / negative	No effect or neutral	Extremely positive / positive
Low or no support from senior management (n=31)	3%	74%	23%
Neutral support from senior management (n=266)	2%	39%	59%
High support from senior management (n=176)	0%	16%	84%

Additionally, correlations demonstrated a positive relationship between senior management support for recognition programs and the perceived effect on employee engagement ($r=0.5$), satisfaction ($r=0.4$) and motivation ($r=0.4$). Relationships are significant at the 0.01 level.

⁷ Statistically significant testing between groups was not performed on motivation, engagement or satisfaction indicators due to distribution and group size.

Employee Retention and Recognition

Figure 38: Offer Recognition Programs and Voluntary Turnover Rates

Option	0% to 5% (Low) (n=183)	6% to 10% (Medium) (n=201)	11% to 15% (High) (n=167)
Average number of programs offered	4.9 ⁸	4.3	4.3
Have at least one recognition program	77%	89%	88%
Do not offer any recognition programs	23%	11%	12%

Figure 39: Recognition Program by Type and Voluntary Turnover Rates⁹

Option	All Respondents	0% to 5% (Low) (n=140)	6% to 10% (Medium) (n=178)	11% to 15% (High) (n=146)
Length of service	90%	88%	92%	89%
Above-and-beyond performance	79%	82%	79%	77%
Peer-to-peer	43%	42%	44%	41%
Retirement	42%	53%	40%	29%
Sales performance	40%	36%	38%	41%
Programs to motivate specific behaviors	34%	37%	30%	34%
Employee of the year, month, etc.	29%	25%	26%	36%
Suggestions/ideas	27%	30%	26%	24%
Major family event (e.g., birth, wedding, etc.)	25%	31%	25%	16%
Safety performance	22%	31%	15%	21%
Attendance	12%	16%	10%	9%

⁸ Organizations that offer at least one recognition program organizations and reported their voluntary turnover rate as low (0% to 5%) additionally reported offering a higher average number of retention programs (4.9) to employees over organizations with medium (4.3) and high levels of voluntary turnover (4.3). (ANOVA p<0.05)

⁹ Due to program combinations and distribution, tests of statistically significant differences were not performed.

Demographics

Figure D1: Number of Employees

“Please choose the total number of employees your organization employs worldwide:”
(n= 537)

Option	Percent
Less than 100 employees	8%
100 to 499	13%
500 to 999	10%
1,000 to 2,499	16%
2,500 to 4,999	11%
5,000 to 9,999	13%
10,000 to 19,999	9%
20,000 to 39,999	9%
40,000 to 99,999	6%
100,000 or more	5%

Figure D2: Organization Type

“Your organization is:” (n= 537)

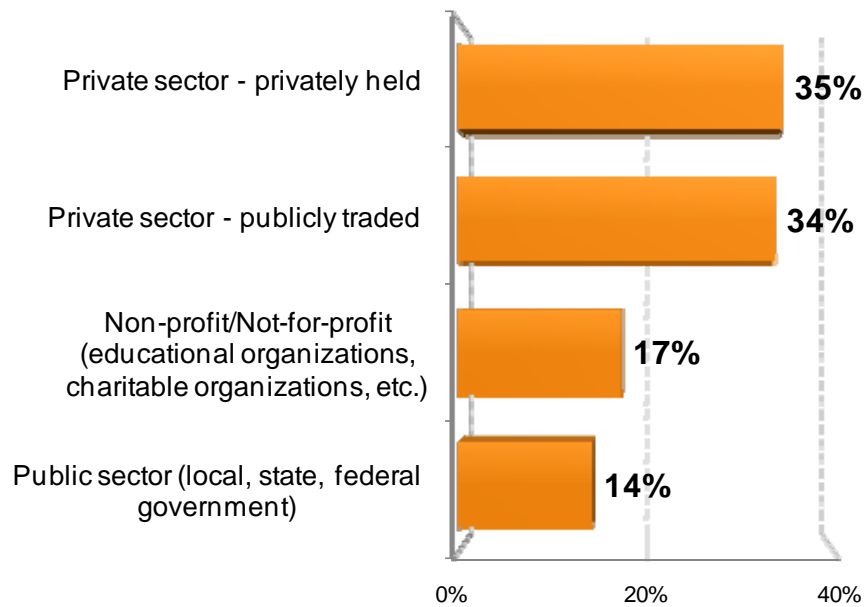


Figure D3: Voluntary Turnover
“What is the approximate annual voluntary turnover for employees?” (n= 537)

Option	Percent
0-5%	33%
6-10%	36%
11-15%	15%
16-20%	8%
21-26%	3%
27-40%	2%
41% or more	3%

Figure D4: Industry
“Please choose one category that best describes the industry in which your organization operates:” (n= 537)

Option	Percent
Finance & Insurance	14%
All Other Manufacturing	11%
Consulting, Professional, Scientific & Technical Services	11%
Health Care & Social Assistance	10%
Utilities, Oil & Gas	6%
Retail Trade	5%
Information (includes Publishing, IT Technologies, etc.)	4%
Public Administration	4%
Educational Services	4%
Pharmaceuticals	3%
Computer and Electronic Manufacturing	3%
Other Services (except Public Administration)	2%
Transportation	2%
Construction	2%
Wholesale Trade	1%
Arts, Entertainment & Recreation	1%
Real Estate & Rental & Leasing	1%
Agriculture, Forestry, Fishing & Hunting	1%
Accommodations & Food Services	1%
Other	14%