Trends in Employee Recognition

A Report by WorldatWork,
Underwritten by ITA Group
May 2015

research

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Introduction & Methodology

This report summarizes the results of a February 2015 survey of WorldatWork members to gather information about trends in recognition programs. This survey is designed to measure specific types of recognition programs and the impact on the workforce. For the purposes of this survey, "recognition" is defined as: "a spontaneous gesture of thanks or a structured or planned program of recognition implemented to acknowledge employees and achieve desired performance."

On Feb. 18, 2015, survey invitations were sent electronically to 6,197 WorldatWork members. Members selected for participation were participants from the WorldatWork 2013 "Trends in Employee Recognition" survey and randomly selected members. The survey was open to members in the United States, Canada and foreign countries meeting specific criteria. The survey closed on March 10, 2015, with 489 responses, an 8% response rate. The dataset was cleaned, resulting in a final dataset of 457 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 within 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 dataset. Due to rounding, frequencies of data responses provided in this survey may not total exactly 100%.

WorldatWork conducted similar employee recognition program surveys in 2013, 2011, 2008, 2005, 2003, 2002 and 2001. These reports can be viewed on the WorldatWork website. Where possible, historical comparisons from data gathered in the previous survey are shown.

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Demographics

Figure 1: "Your organization is:" (n=407)

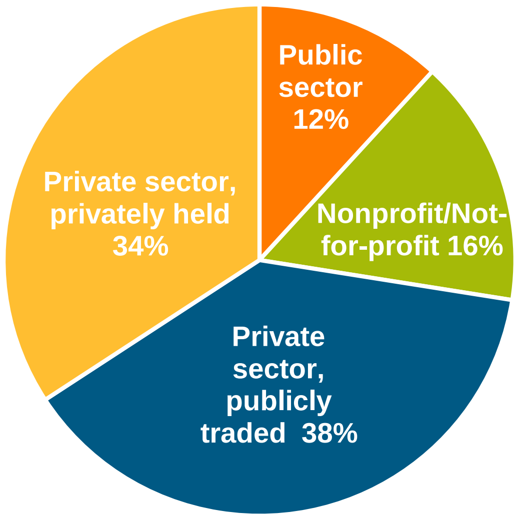


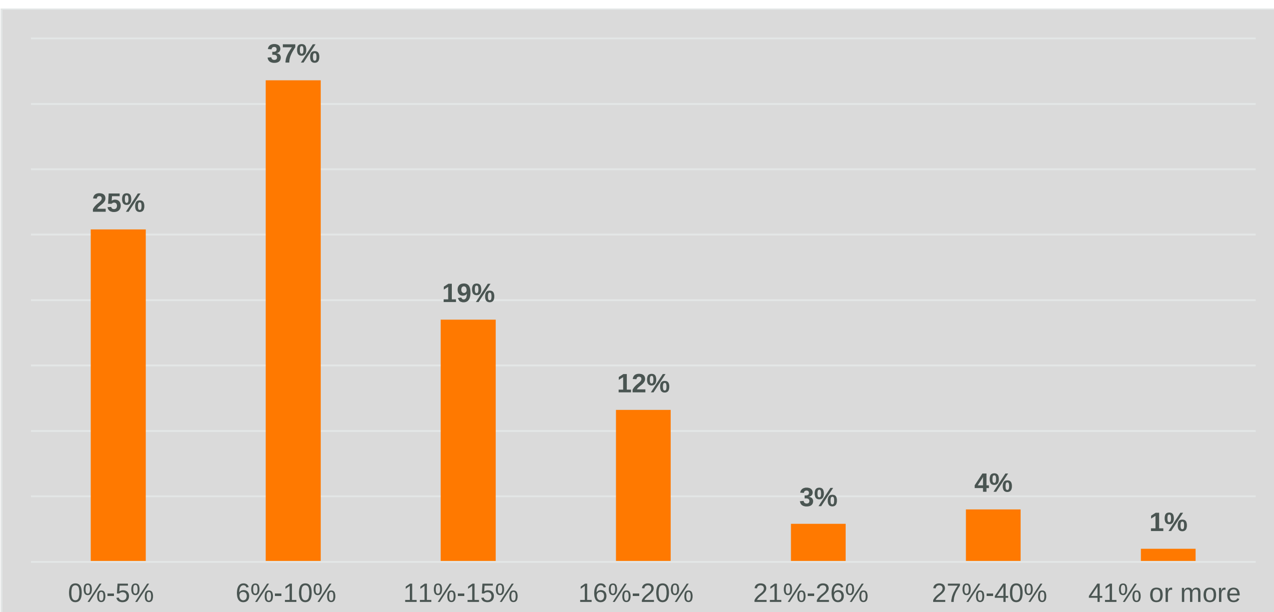
Figure 2: "Please choose the total number of full-time employees (FTEs) your organization employs worldwide:" (n=408)

Option	Percentage
Fewer than 100 employees	6%
100 to 499	12%
500 to 999	9%
1,000 to 2,499	15%
2,500 to 4,999	16%
5,000 to 9,999	12%
10,000 to 19,999	9%
20,000 to 39,999	7%
40,000 to 99,999	9%
100,000 or more employees	5%

Figure 3: "Please choose one category that best describes the industry in which your organization operates:" (n=407)
Industries with less than 2% are not listed in this table.

Option	Percentage
All Other Manufacturing	15%
Finance and Insurance	14%
Consulting, Professional, Scientific and Technical Services	9%
Health Care and Social Assistance	9%
Utilities, Oil and Gas	7%
Information (includes Publishing, IT, etc.)	6%
Retail Trade	5%
Pharmaceuticals	4%
Computer and Electronic Manufacturing	3%
Educational Services	3%
Other Services (except Public Administration)	3%
Public Administration	3%
Arts, Entertainment and Recreation	2%
Transportation	2%
Wholesale Trade	1%
Other	11%

Figure 4: "What is the approximate annual voluntary turnover for employees?" (n=378)



Executive Summary

Recognition programs remain a mainstay in organizations, with 89% of organizations having programs in place. 67% of organizations offer between three and six different programs, with 4.6 as the average number of programs. The average number of programs is back to the 2011 level after dipping to 3.9 in 2013.

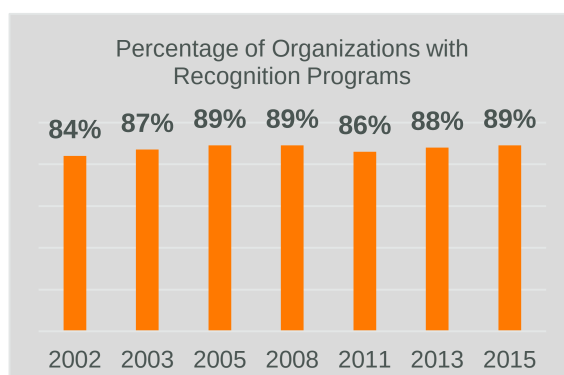
The prevalence of programs has experienced an interesting shift in the last few iterations of this survey, with a growing number of organizations relying on recognition programs that drive organizational results. However, the staple recognition program, length of service, still holds the top spot, with 87% of organizations offering this type of program. It has been at the top since the inception of this survey.

It is also interesting to note that in both 2011 and 2013 surveys, when asked to write in other programs that are offered in organizations, participants responded with "wellness programs." With the increase in wellness programs and the continuing increase in programs to motivate specific behavior, WorldatWork speculated whether wellness programs and programs to motivate specific behavior were intermingled. Therefore, in this survey they were listed as separate programs. The results for "Programs that improve biometric indices through wellness initiatives" debuts as sixth on the list, with 32% of organizations offering these programs and the highest average number of employees recognized in the past 12 months (68%). Even more interesting is the 10 percentage-point increase in the use of programs to motivate specific behaviors, up to 51%. This may be yet another indication that employers are interested in using recognition programs to drive employee behavior and ultimately drive organizational results.

Also, through further analysis it was found that organizations with a strategic and/or embedded culture of recognition indicate that their employees have higher engagement, motivation and satisfaction. Additionally, organizations leveraging result-driven recognition programs, in particular, may be experiencing greater overall success.

Recognition Programs

- Recognition programs remain important in the total rewards tool kit, with 89% of organizations having programs in place. (See Figure 5.) Of the 11% of organizations without recognition programs, the main barriers include: the challenge of administering programs (25%) and cost (22%). (See Figure 5a.)



- A majority of organizations are recognizing their employees about the same as 12 months ago (58%); however, "more recognition than 12 months ago" is on the rise, having increased by 9 percentage points from 2013. (See Figure 6.)

- 95% of organizations have not eliminated any recognition programs in the past 12 months. This is consistent with findings from 2013. (See Figure 7.) Although very few programs have been eliminated, over half of organizations are not considering implementing any new programs in the next 12 months. (See Figure 8.)

Types of Programs Offered

- Companywide recognition programs are widespread, offered by 80% of organizations; however, this has statistically significantly declined by 10 percentage points from 2013, which could be attributed to the addition of the individual recognition programs category. (See Figure 9.) Individual recognition programs and department/team-specific programs are also common, at 67% and 65% respectively.

- 75% of organizations operate their recognition programs both formally and informally. While formal recognition remains more widespread than informal, it has dropped 5 percentage points to 19% from 2013. (See Figure 10.)

- The top five recognition programs have remained the same since 2013: length of service (87%), above-and-beyond performance (76%), programs to motivate specific behaviors (51%), peer to peer recognition (48%) and retirement (34%). (See Figure 12.) Programs to motivate specific behavior continue to be on the rise, jumping to the third-most prevalent recognition program with a 10 percentage-point increase. (See Figure 11.) Retirement and length-of-service recognition programs continue to have a long history in organizations, and likely last many more years. Programs that improve biometric indices through wellness initiatives, almost breaking the top five programs, has been in place with 68% of organizations for one to five years. This program also has the highest average number of employees recognized in the past 12 months (37%). (See Figure 12.)

- Half of responding organizations employ employees outside of North America, an increase of 7 percentage points since 2013. (See Figure 13.) At 39% of those organizations, international/global employees participate in all or most of the same recognition programs as their North American counterparts. This has decreased since 2013, while international/global employees having their own recognition programs has been on the rise (25%). (See Figure 14.)

Program Strategy and Measures

- 53% of organizations have a written strategy behind their recognition programs (Figure 15), and 97% of those organizations say their strategies align with the organizational strategy (Figure 16).

Top 5 Recognition Goals	
	1. Recognize years of service.
	2. Create/maintain a positive work environment.
	3. Create/maintain a culture of recognition.
	4. Motivate high performance.
	5. Reinforce desired behaviors.

- The top five organizational objectives and goals for recognition programs have remained the same since 2013, with slight increases in each of the top three. (See Figure 17.) A notable result is that a goal of increasing retention/decreasing turnover rose to 51% this year, a 10 percentage-point growth.

- Most organizations agree that their recognition programs are meeting their established objectives and goals (77%). (See Figure 18.) In order to achieve success of these objectives and goals, organizations often use employee satisfaction surveys (62%), followed by usage rates and/or participation rates (53%). These findings are similar to 2013 results. (See Figure 19.)

Program Administration and Communication

- The human resources department continues to be responsible for administering the majority of recognition programs (54%), while the compensation department is a distant second, administering the programs at 22% of responding organizations. (See Figure 20.)

- In 53% of organizations, no one position is responsible for the recognition program; rather, it is a shared responsibility among department personnel. This has decreased 4 percentage points from 2013, while a part-time dedicated position within a department has increased 6 percentage points to 22%. (See Figure 21.)

- 80% of organizations have a budget for their recognition programs (Figure 22), and these budgets typically have some components centralized and some department-specific (Figure 24). Of the organization’s payroll budget, 42% allocate 0.1% to 0.3% for recognition programs, followed by 20% allotting 1.0% to 1.9%. (See Figure 23.)

- When recognition awards are presented, a one-on-one setting with the manager is most common at 68%, with special events and staff meetings also regular settings at more than half of organizations. (See Figure 25.)

- Email is the most common type of electronic media or technology used for program activities, particularly program communication (70%), recognition presentation (62%), recognition nomination (55%), program administration (53%) and peer acknowledgment/celebration (54%). Use of the intranet follows close behind email with many program activities as well. In some activities other mediums are more regarded, like use of the internet for award/item ordering (44%) and recognition program software in preparation of program financials, reporting and/or tracking (44%). (See Figure 26.)

- Since 2013, the top five types of items presented as recognition awards has not changed. However, items lower on the list, such as recreational items/sporting goods (27%) and redeemable points (22%), have seen a rise in being presented. (See Figure 27.)

Top 5 Recognition Awards	
	1. Certificates and/or plaques
	2. Cash
	3. Gift certificates for product purchases
	4. Company logo merchandise
	5. Food

- 69% of communication regarding recognition programs to managers and employees is through email, followed closely by the Internet or intranet at 66%. (See Figure 28.) Employee orientation is a growing medium for communicating/explaining these programs, as it has risen 6 percentage points to 35%.

- There remains a large percentage of organizations without formal training for managers about recognition programs (88%). Like 2013, only 12% of organizations provide training on recognition to managers (Figure 29), but unlike 2013, these programs are typically through in-person training sessions (81%), an increase of 24 percentage points. (See Figure 30.) Of those organizations with a managerial training program, 44% perceived they had an informal culture of recognition embedded, including some written programs and policies without a widespread application. Furthermore, 34% of organizations believe their organization is strategic and 10% indicate recognition is deeply embedded in their culture. (See Figure 29a.) Strategic employee is viewed as an essential element in achieving organizational success, while deeply embedded recognition culture is universal and promotes a regular usage of programs and practices.

- The perceived level of support for recognition programs from senior management has declined to 34%, a loss of 7 percentage points from 2013. 59% feel senior management has a neutral level of support for recognition. (See Figure 31.) Consistent with 2013 results, 46% of respondents believe senior management views employee recognition programs as an investment rather than an expense. (See Figure 32.)

Program Effectiveness

- A majority of respondents believe their workforces consider recognition programs to have a positive or extremely positive effect on employee engagement (68%), motivation (62%) and satisfaction (70%), but are less confident on the perceived impact on retention (38%). (See Figure 33.)

- The percentage of organizations that are featuring recognition in attraction efforts, or are sometimes but not always featuring these programs, has increased from 2013. Slightly more than half of organizations do not feature or market recognition programs (53%) as a benefit in attracting new employees. (See Figure 34.)

Result-Driven Recognition Programs

In an effort to better understand the use and effectiveness of recognition programs that are designed to drive a specific result rather than to celebrate successes like tenure and culture, four recognition programs were identified and analyzed collectively as “result-driven recognition programs.” (See page 28 for more information.) The four programs are:

1. Above-and-beyond performance recognition
2. Peer-to-peer recognition
3. Recognition programs that motivate specific behaviors
4. Recognition programs to improve biometric indices through wellness initiatives.

Findings indicate that the more result-driven programs in place, the stronger the commitment from the organization and perceived success. It is unknown if these findings are simply the result of having better clarity around the intent of the program (because, by definition, it is designed to have a specific impact) and are therefore better communicated and easier to measure, or if it’s because recognition programs designed to drive specific results truly do have greater relational success compared to other recognition programs such as length of service or employee of the year, month and so on. Nonetheless, the findings at least reveal some interesting correlations:

- 25% of all organizations surveyed offer two result-driven programs as part of their recognition programming. (See Figure 39.) Although two programs are the most common offering, this is comparable to the prevalence of organizations offering one program (21%) and three programs (22%). Only 13% of responding organizations use all four result-driven programs.

- With every additional result-driven program that organizations offer between one and four, there appears to be a connection to the perception that recognition programs in general are meeting objectives or goals. Reports of success go up by 6 to 12 percentage points each time the number of programs used goes up. (See Figure 40.)

- The prevalence of written strategies at responding organizations climbs dramatically as the number of result-driven recognition programs in use increases. When only one of the four programs is being used, 44% of organizations have a written strategy in place. When all four of the surveyed result-driven recognition programs are in use, 70% of organizations have a written strategy in place. (See Figure 41.) This finding, along with the data on recognition budgets found in Figure 46, may indicate that organizations with more programs are more committed. They clearly are more likely to have a written strategy in place. However, while some of the larger budget ranges are more prevalent for organizations offering three or four programs, it is not clear if more programs cost more, or if organizations with more programs may just be willing to invest a little more in recognition.

- The perceived effect on employee engagement, motivation and satisfaction improves as more result-driven recognition programs are used. Approximately half of organizations report a positive or extremely positive effect of recognition programs on employee engagement (54%), motivation (48%) and/or satisfaction (51%) when only one of the four programs is used. As the number of programs used increases to a total of four, the degree of positive impact grows considerably, to roughly three-fourths or more. This is better than the average of all respondents (regardless of use of the four specific result-driven programs) of 62% to 70% depending on the factor. (See Figure 44.)

Results and Analysis

Recognition Programs

Figure 5: “Does your organization have recognition programs in place?”

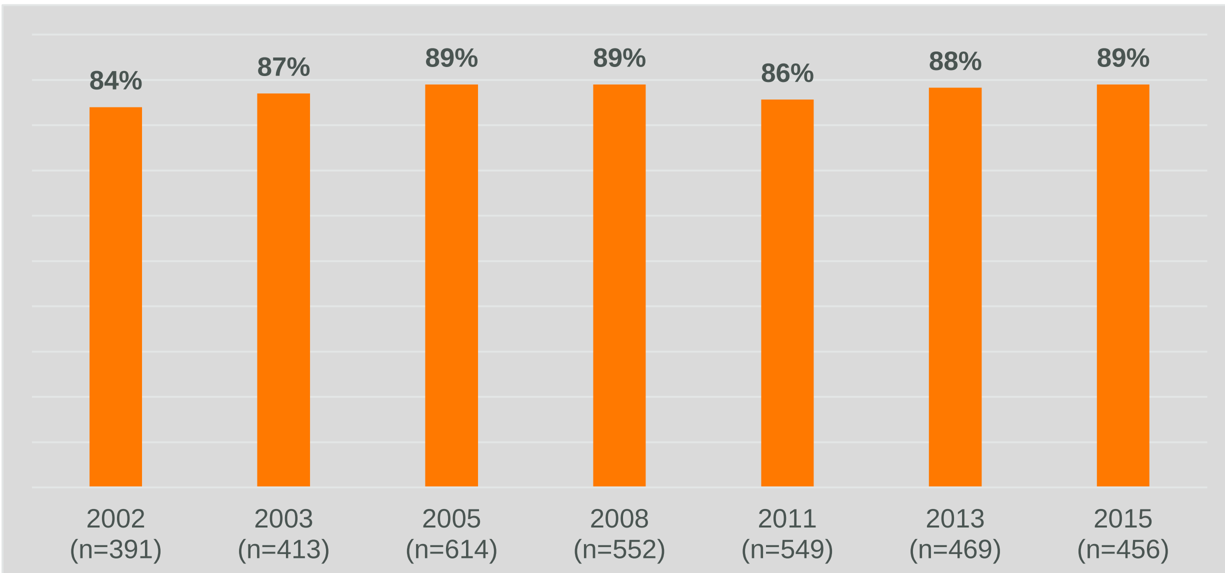
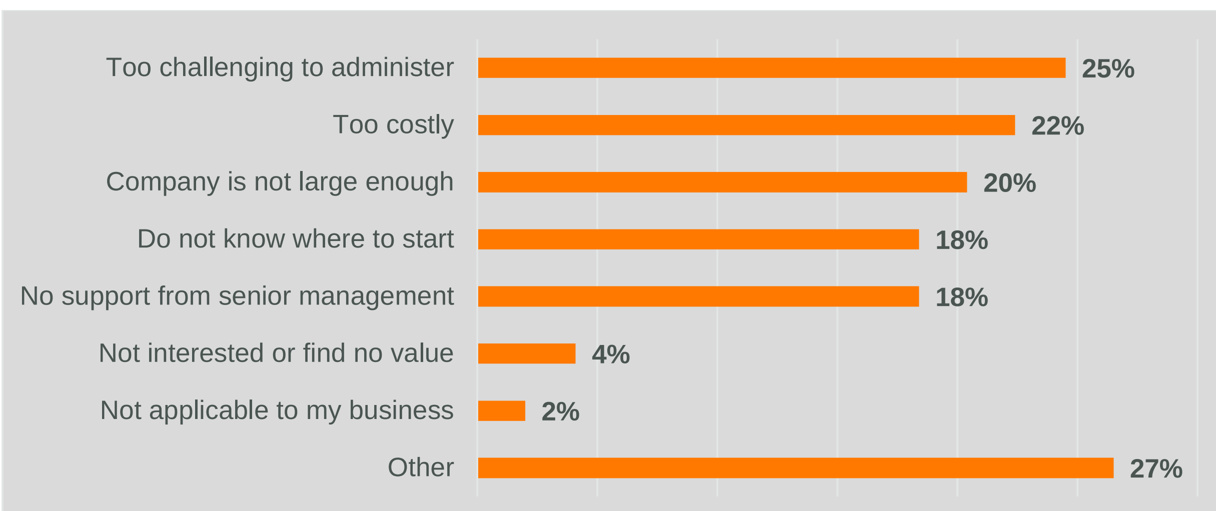


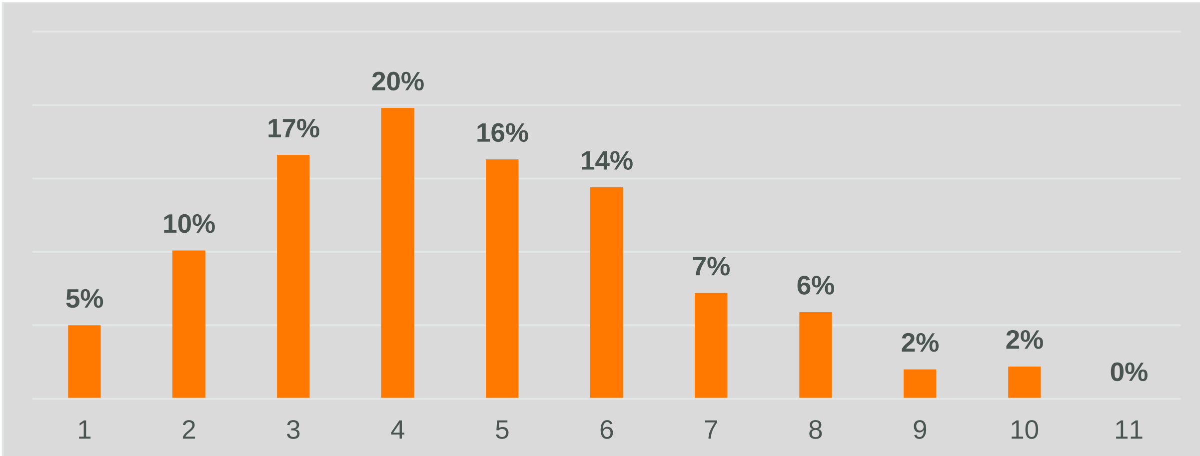
Figure 5a[1]: “If your organization does not offer recognition programs, please share the reasons why you do not. (Check all that apply.)” (n=49)
Only participants answering “No” in Figure 5 received this question.



- “Other” responses varied; however, some responses indicated recognition programs not being the highest priority, budgetary issues and organizations having an informal program, but not a formalized package.

[1] This question was added in 2015.

Figure 5b: Number of recognition programs offered (n=404)



- Mean: 4.6
- Median: 4
- Mode: 4

Figure 6: **"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 5 received this question.

	2003	2005	2008	2011	2013	2015
n=	358	599	561	535	400	406
About the same as 12 months ago	48%	52%	58%	62%	66%	58%
Less than 12 months ago	12%	8%	7%	7%	6%	6%
More than 12 months ago	40%	40%	35%	31%	28%	37%

Figure 7: **"Have you eliminated any recognition programs in the past 12 months?"**
Only participants answering "Yes" in Figure 5 received this question.

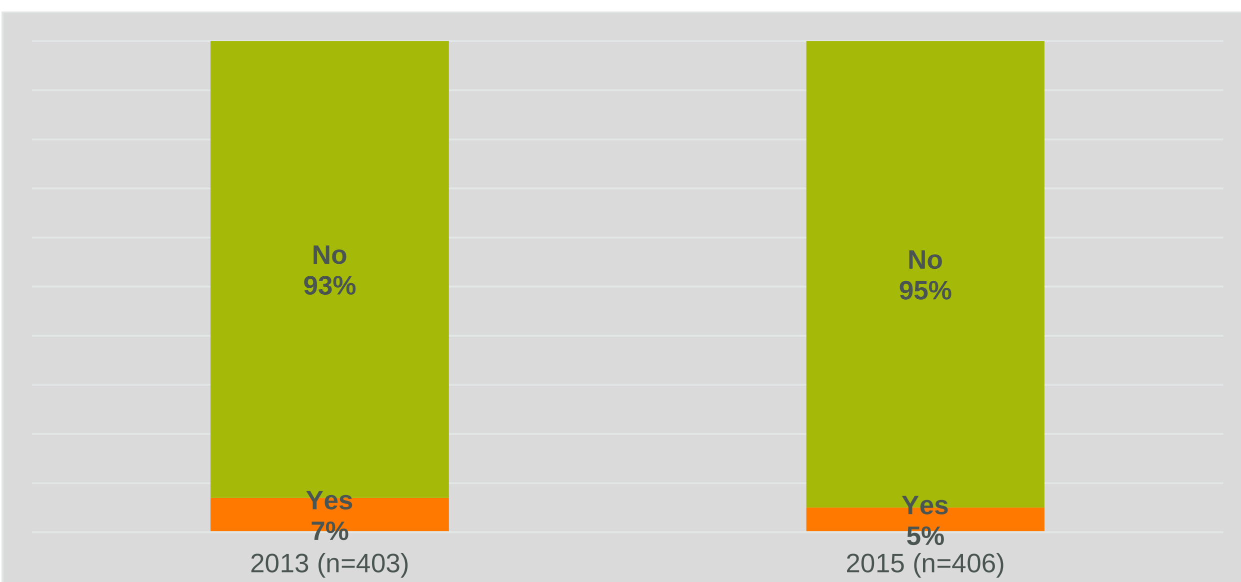
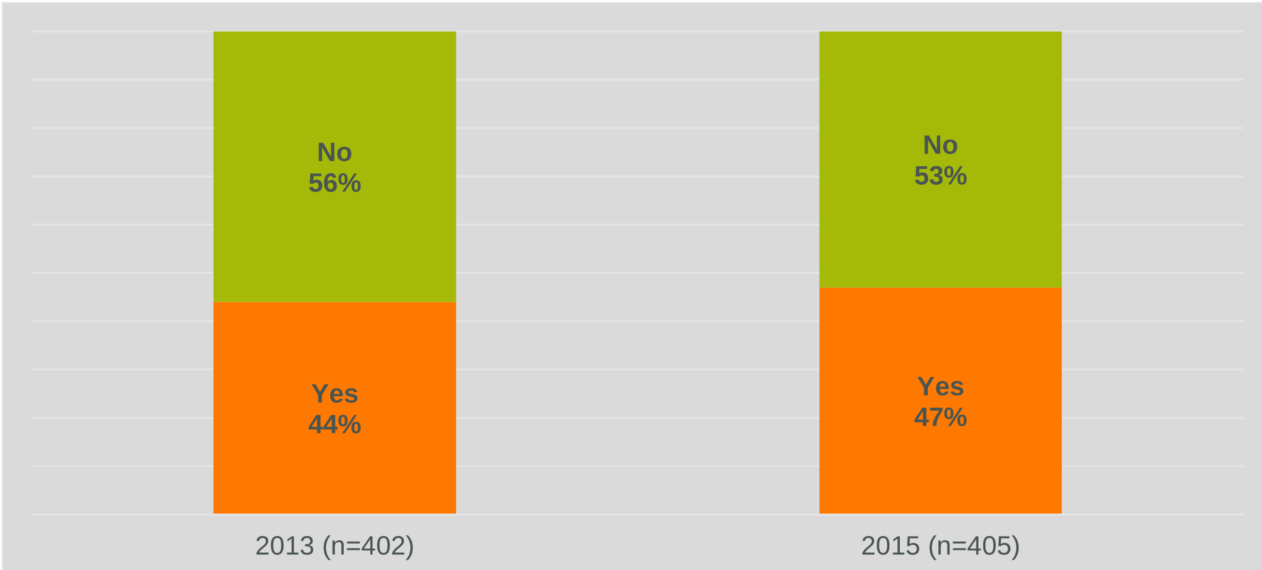


Figure 8: **"Are you considering implementing any new or additional recognition programs in the next 12 months?"**
Only participants answering "Yes" in Figure 5 received this question.



Types of Programs Offered

Figure 9: **"What types of recognition programs are in place in your company? (Check all that apply.)"**
Only participants answering "Yes" in Figure 5 received this question.

	2003[2]	2005[3]	2008	2011	2013	2015
n=	358	537	501	529	398	405
Companywide	92%	90%	91%	88%	90%	80%[4]
Individual	n/a	n/a	n/a	n/a	n/a	67%
Department/division/unit/region/team-specific	54%	59%	54%	66%	61%	65%
Other[5]	3%	3%	4%	8%	10%	3%

[2] The 2003 survey required respondents to select one option: "companywide," "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 "companywide" and "department/unit-specific" options.
[3] The 2005 survey required respondents to select one option: "companywide," "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 "companywide" and "department/unit-specific" options.
[4] A statistically significantly lower number of participants in 2015 reported companywide recognitions programs are in place (80%) compared with 2013 (90%).
[5] 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 10: **"What style(s) of recognition programs are in place at your company?"**
Only participants answering "Yes" in Figure 5 received this question.

	2002	2003	2005	2008	2011	2013	2015
n=	327	358	535	505	530	399	404
Formal — a structured or planned recognition program (e.g., attendance, performance, safety, years of service, etc.)	17%	16%	19%	21%	23%	24%	19%
Informal — a spontaneous gesture of appreciation	10%	9%	9%	9%	6%	7%	7%
Both	70%	72%	71%	69%	72%	69%	75%
Other	3%	3%	1%	0%	n/a	n/a	n/a

Figure 11: **"Which of the following recognition programs does your organization offer? (Check all that apply.)"**
Only participants answering "Yes" in Figure 5 received this question.

	2003	2005	2008	2011	2013	2015
n=	413	614	552	549	414	407
Length of service	87%	89%	86%	90%	84%	87%
Above-and-beyond performance	85%	87%	79%	79%	75%	76%
Programs to motivate specific behaviors	n/a	n/a	25%	34%	41%	51%
Peer to peer	n/a	n/a	42%	43%	42%	48%
Retirement	n/a	51%	41%	42%	34%	34%
Programs that improve biometric indices through wellness initiatives[6]	n/a	n/a	n/a	n/a	n/a	32%
Sales performance	43%	51%	38%	40%	25%	31%
Suggestions/ideas	36%	41%	24%	27%	20%	27%
Employee of the year, month, etc.	29%	36%	32%	29%	24%	22%
Safety performance	28%	33%	25%	22%	19%	20%
Major family event (e.g., birth, wedding, etc.)	n/a	n/a	19%	25%	18%	20%
Attendance	20%	22%	16%	12%	9%	11%
Other	n/a	n/a	n/a	27%	14%	8%

Other programs offered as noted by participants:

- Contributions to community service/volunteerism
- Cost savings
- Quality
- Teamwork
- Wellness

[6] 2015 is the first year "programs that improve biometric indices through wellness initiatives" was made available.

Figure 11a: Top five recognition programs

Rank	2005	2008	2010	2013	2015
1.	Length of service	Length of service	Length of service	Length of service	Length of service
2.	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance	Above-and-beyond performance
3.	Retirement	Peer to peer	Peer to peer	Peer to peer	Programs to motivate specific behaviors
4.	Sales performance	Retirement	Retirement	Programs to motivate specific behaviors	Peer to peer
5.	Suggestions/ideas	Sales performance	Sales performance	Retirement	Retirement

Figure 12: "Please indicate how long each program has been in place in your organization and the percentage of employees recognized in the past 12 months."
Only participants answering "Yes" in Figure 5 received this question.

Program	Prevalence	Length of Time in Place			Average Percentage of Employees Recognized (Past 12 Months)
		Less Than 12 Months	1 to 5 Years	More Than 5 Years	
Length of service	87%	3%	11%	86%	24%
Above-and-beyond performance	76%	5%	35%	61%	20%
Programs to motivate specific behaviors	51%	8%	44%	48%	31%
Peer to peer	48%	12%	49%	39%	31%
Retirement	34%	1%	10%	89%	6%
Programs that improve biometric indices through wellness initiatives	32%	12%	68%	20%	37%
Sales performance	31%	2%	22%	77%	16%
Suggestions/ideas	27%	11%	36%	53%	10%
Employee of the year, month, etc.	22%	5%	27%	68%	5%
Major family event (e.g., birth, wedding, etc.)	20%	2%	19%	79%	13%
Safety performance	20%	1%	34%	65%	22%
Attendance	11%	2%	19%	79%	27%
Other	8%	14%	33%	53%	29%

Figure 13: "Does your organization have employees outside of North America?"
Only participants answering "Yes" in Figure 5 received this question.

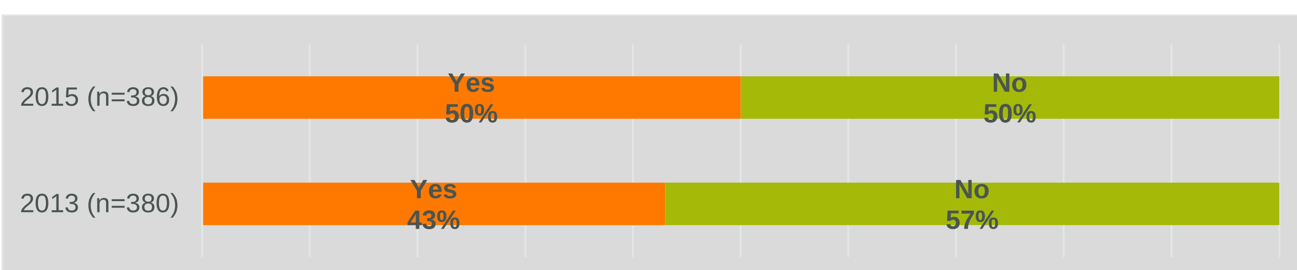


Figure 14: **"Which of the following best describes the recognition programs for these employees?"**
Only participants answering "Yes" in Figure 13 received this question.

	2013	2015
n=	159	188
International/global employees participate in all or most of the same recognition programs as North American employees	46%	39%
International/global employees participate in some of their own programs and some of the same programs as North American employees	21%	24%
International/global employees have their own recognition programs	19%	25%
International/global employees participate in a few of the same recognition programs as North American employees	8%	7%
International/global employees do not participate in any recognition programs	6%	5%

Program Strategy and Measures

Figure 15: **"Is there a written strategy behind your organization's recognition programs (e.g., why they were created, goals)?"**
Only participants answering "Yes" in Figure 5 received this question.

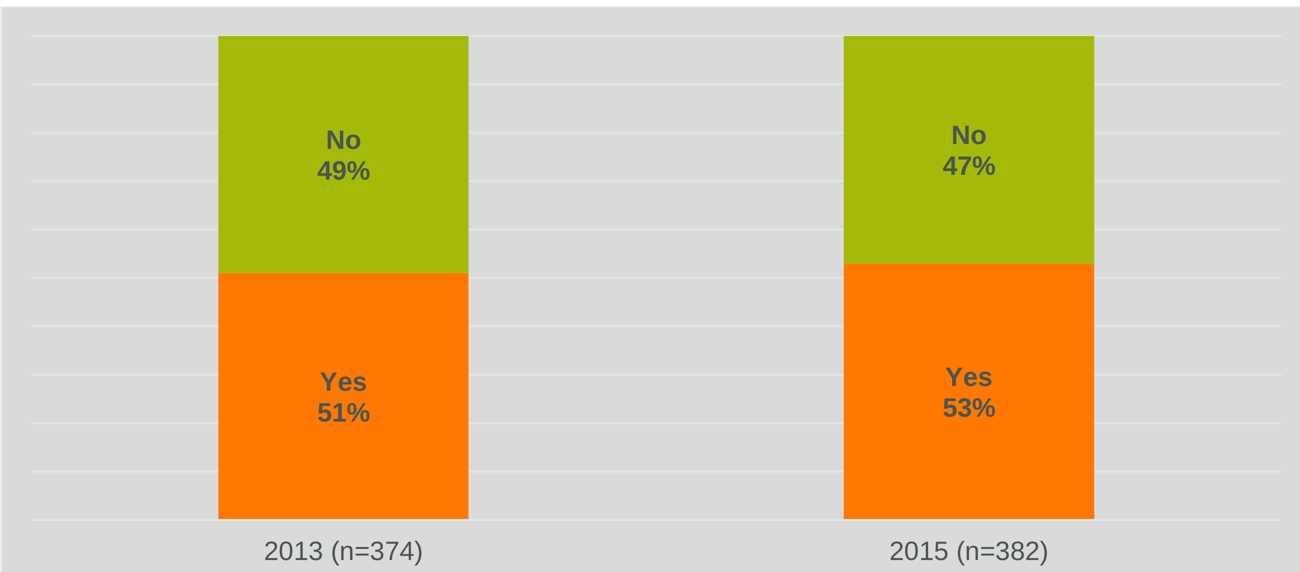


Figure 16: "Does your recognition strategy align with your organization's strategy?"
Only participants answering "Yes" in Figure 15 received this question.

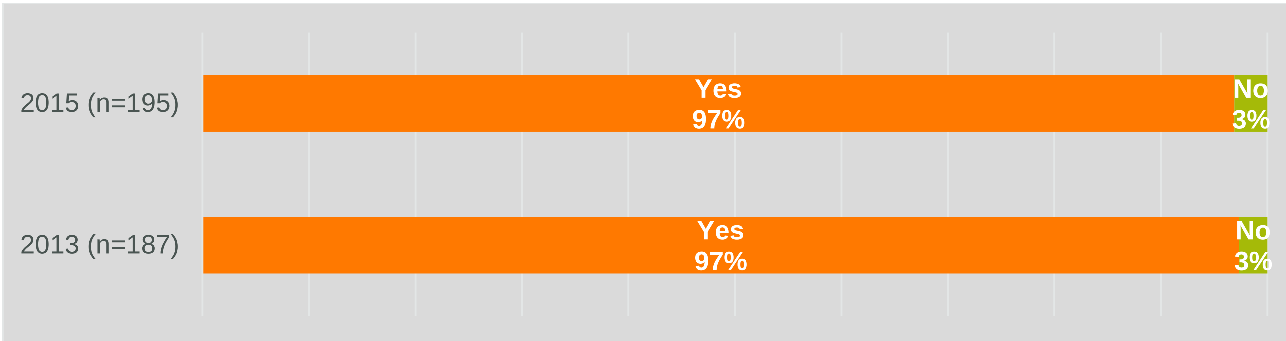
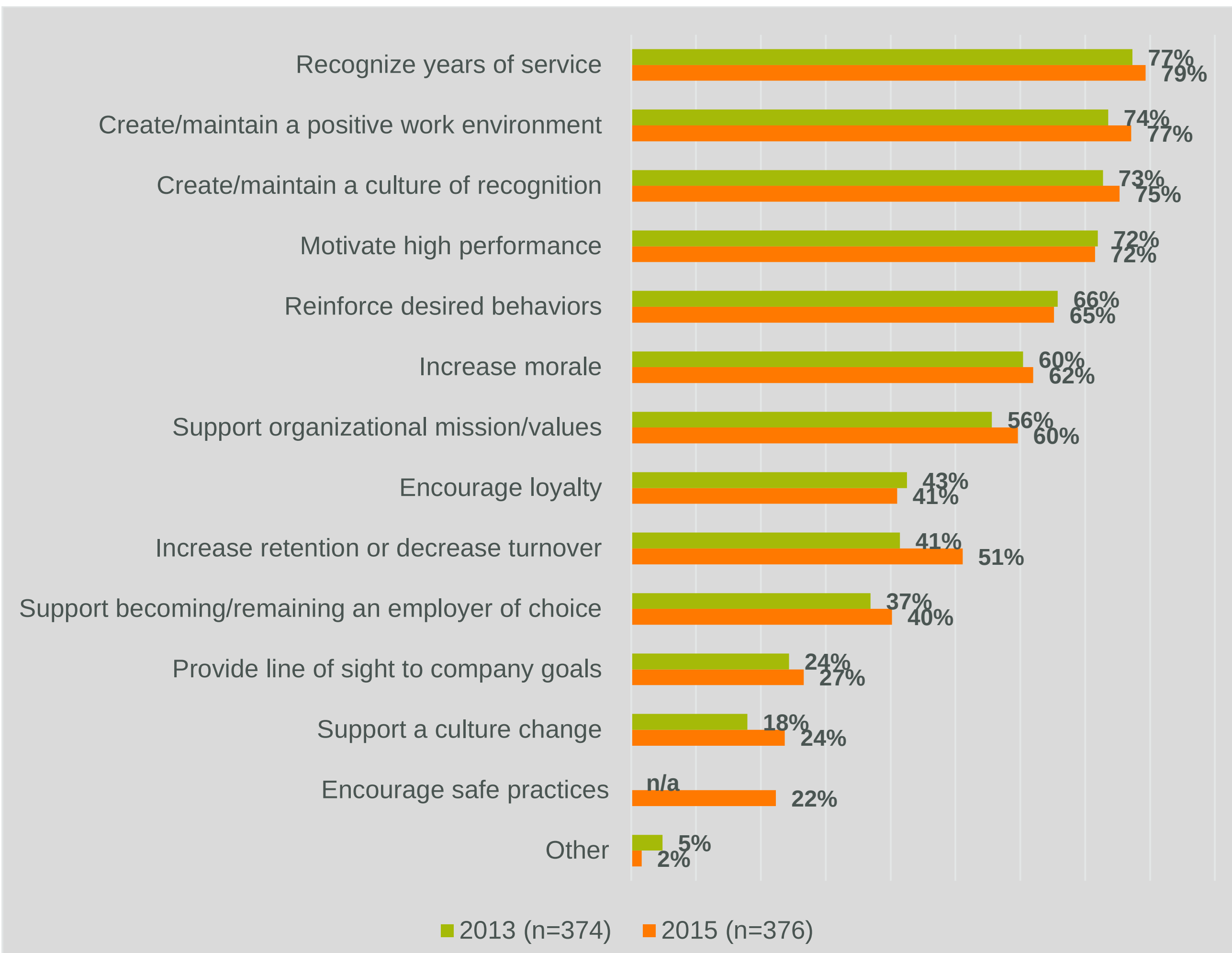


Figure 17: "What are the objectives/goals of your organization's recognition programs? (Check all that apply.)"[7]
Only participants answering "Yes" in Figure 5 received this question.



[7] "Encourage safe practices" was a new addition to the survey in 2015.

Figure 18: **"Do you feel your programs are meeting the objectives/goals?"**
Only participants answering "Yes" in Figure 5 received this question.

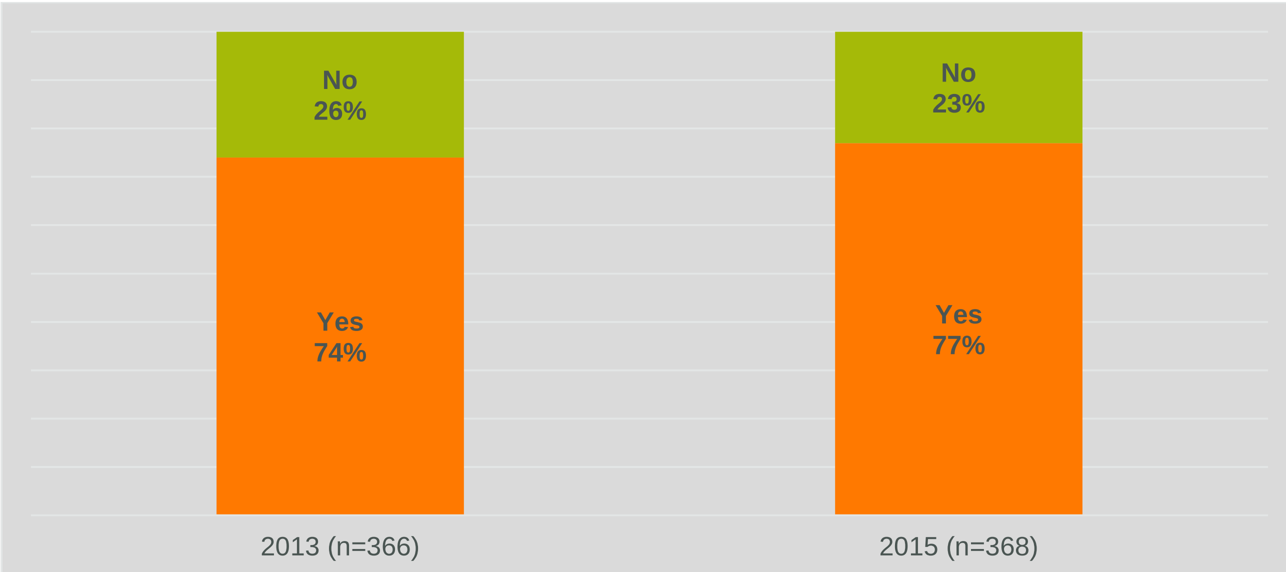
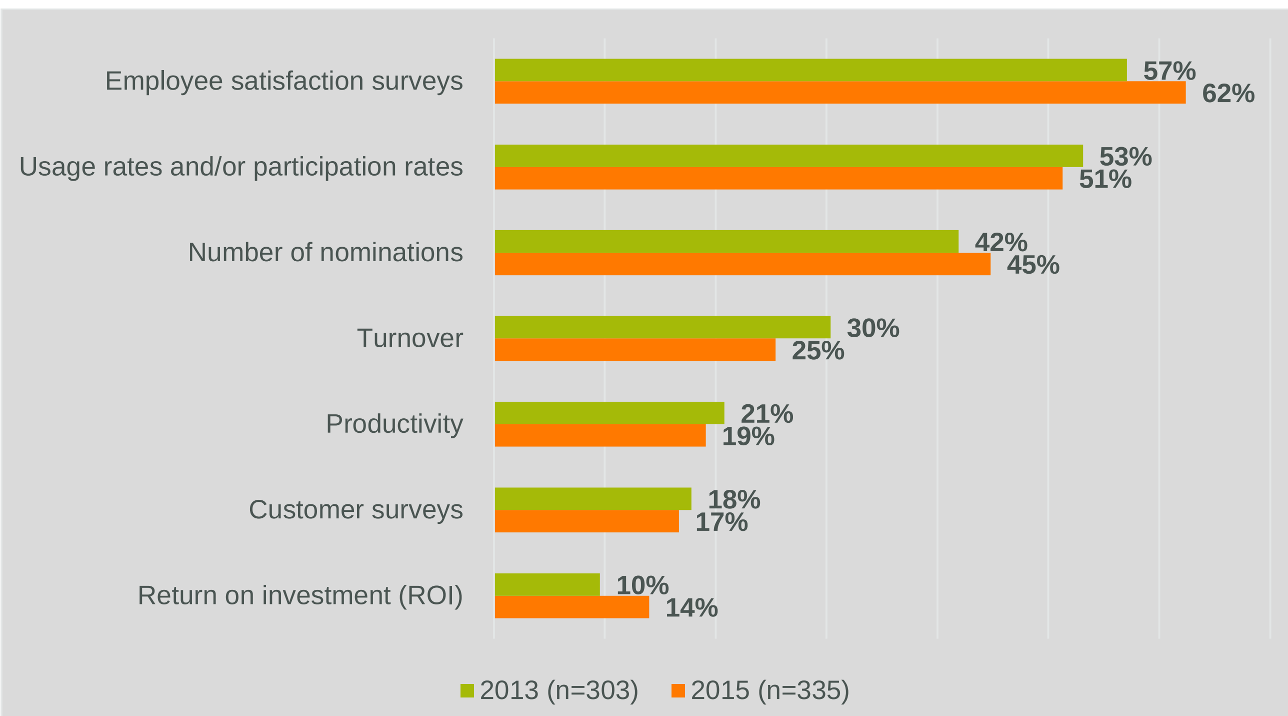


Figure 19: **"What types of measurements for success do you use in your recognition programs? (Check all that apply.)"**
Only participants answering "Yes" in Figure 5 received this question.



Program Administration and Communication

Figure 20: **"Which department is responsible for administering the majority of your organization's recognition programs?"[8]**
Only participants answering "Yes" in Figure 5 received this question.

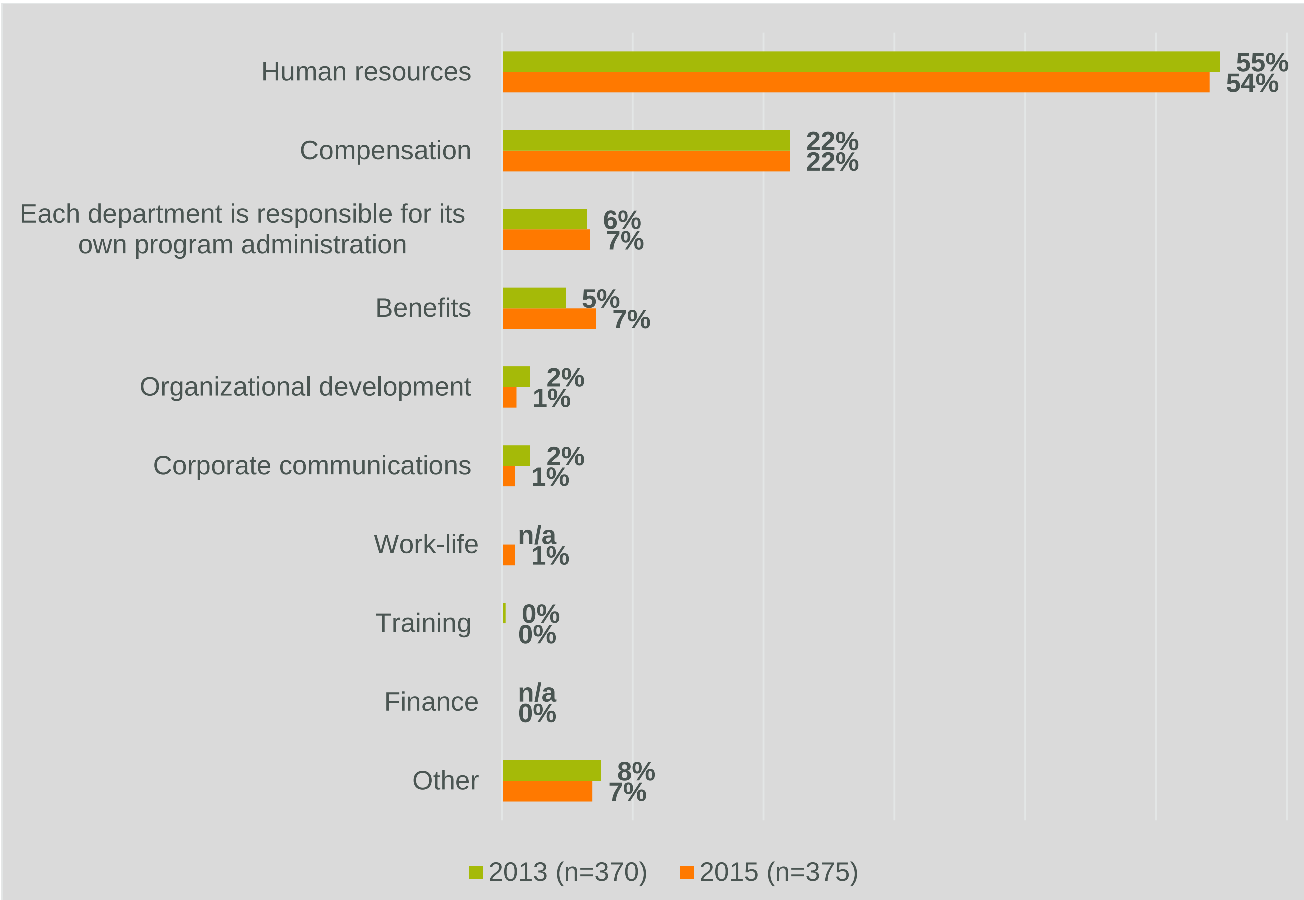


Figure 21: **"Which position is responsible for administering the recognition program(s)?"**
Only participants answering "Yes" in Figure 5 received this question.

	2013	2015
n=	365	372
No one position is responsible for the program; it is a shared responsibility among the department personnel	57%	53%
Part-time dedicated position • The majority indicated 10% or less of this position's week is spent working on recognition programs	16%	22%
Full-time dedicated position(s) • Most participants designated one full-time dedicated position	20%	18%
Other	7%	7%

[8] Both "Training" and "Finance" were added to the response options in 2015.

Figure 22: **"Is there a budget for your recognition programs?"**
Only participants answering "Yes" in Figure 5 received this question.

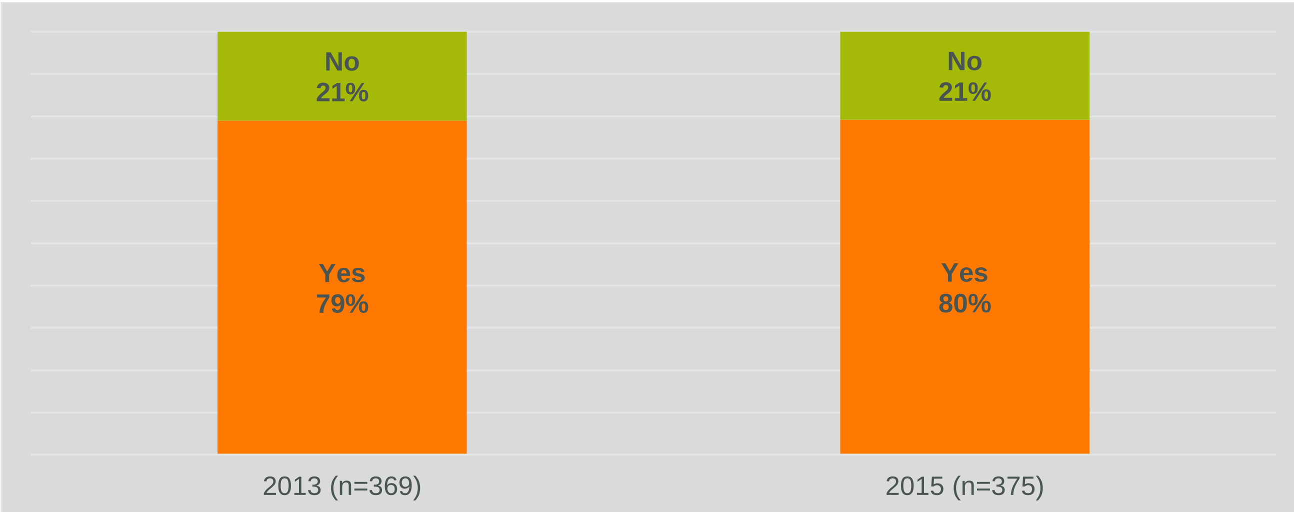


Figure 23: **"What percentage of your payroll budget is used for recognition programs?"** (n=233)
Only participants answering "Yes" in Figure 22 received this question.

Distribution of Responses								
0%	0.1% to 0.3%	0.4% to 0.6%	0.7% to 0.9%	1.0% to 1.9%	2.0% to 2.9%	3.0% to 4.9%	5.0% to 10.0%	Greater than 10.0%
3%	42%	15%	8%	20%	6%	2%	3%	3%

Figure 24: **"The recognition budget is:"**
Only participants answering "Yes" in Figure 22 received this question.

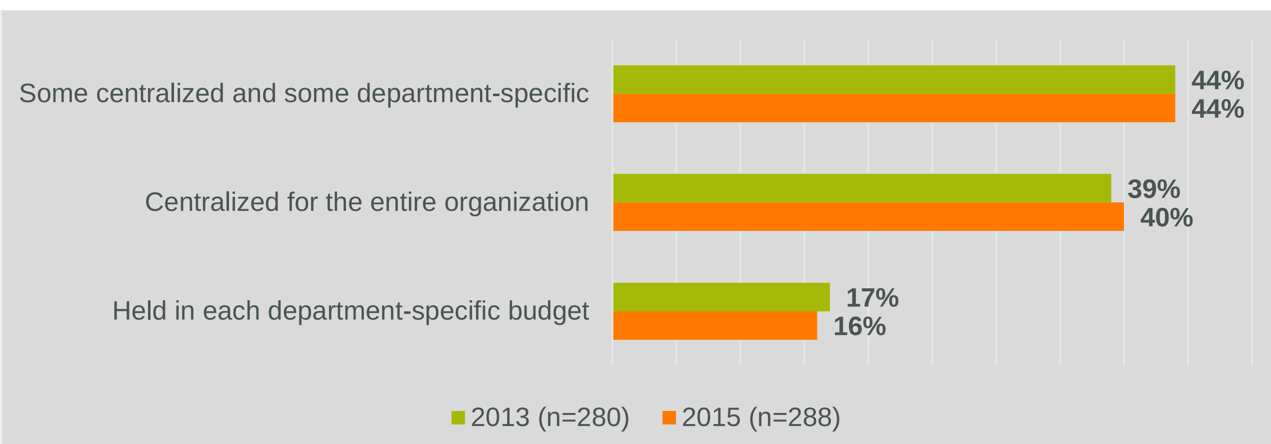


Figure 25: **"How are recognition awards presented? (Check all that apply.)"**
Only participants answering "Yes" in Figure 5 received this question.

	2002	2003	2005	2008	2011	2013	2015
n=	289	355	528	494	488	348	370
One on one with manager	63%	69%	67%	63%	68%	71%	68%
Special event (e.g., banquet, luncheon, etc.)	65%	63%	70%	57%	57%	61%	62%
Staff meeting	59%	59%	60%	53%	53%	55%	53%
Email announcements/notifications	n/a	n/a	n/a	n/a	39%	36%	38%
Companywide meeting	33%	37%	36%	38%	40%	41%	37%
Intranet announcement	n/a	n/a	n/a	28%	33%	29%	32%
Company newsletter	n/a	n/a	n/a	n/a	29%	28%	25%
Not presented (e.g., mailed to recipient at work or home)	n/a	7%	10%	8%	10%	10%	14%
Social media	n/a	n/a	n/a	n/a	n/a	5%	6%
Other	11%	10%	3%	11%	6%	5%	4%

Figure 26: **"What electronic media or technology are used for the following program activities? (Check all that apply.)"**
Only participants answering "Yes" in Figure 5 received this question.

	Intranet	Email	Internal Social Network	Recognition Program Software	Internet	External Social Network
Program communication (n=275)	66%	70%	9%	18%	9%	1%
Recognition nomination (n=263)	47%	55%	5%	28%	7%	0%
Award/item ordering (n=257)	18%	32%	2%	30%	44%	0%
Program administration (n=237)	37%	53%	4%	36%	14%	0%
Recognition presentation (n=195)	47%	62%	12%	24%	7%	1%
Peer acknowledgement/celebration (n=195)	39%	54%	14%	27%	4%	1%
Program financials, reporting and/or tracking (n=171)	25%	40%	3%	44%	12%	1%
Program training (n=163)	63%	55%	9%	26%	7%	0%

Figure 27: **"What types of items are presented as recognition awards? (Check all that apply.)"**
Only participants answering "Yes" in Figure 5 received this question.

	2002	2003	2005	2008	2011	2013	2015
n=	328	358	535	494	488	348	362
Certificates and/or plaques	n/a	75%	81%	78%	77%	77%	77%
Cash (not pay for performance or compensation)	58%	63%	58%	60%	62%	61%	56%
Gift certificates for product purchases	63%	57%	57%	51%	47%	50%	53%
Company logo merchandise	n/a	51%	57%	46%	43%	47%	48%

Food (e.g., breakfast, lunch, pizza party, etc.)	n/a	n/a	n/a	42%	36%	36%	36%
Timepieces (e.g., watches, clocks, etc.)	28%	33%	21%	30%	32%	32%	31%
Jewelry (e.g., necklaces, label pins, bracelets, etc.)	40%	43%	44%	28%	31%	31%	30%
Electronics (e.g., cameras, TVs, stereos, etc.)	24%	24%	28%	21%	25%	28%	28%
Household items (e.g., crystal, vases, china, etc.)	35%	34%	38%	26%	27%	28%	28%
Recreational items/sporting goods	n/a	n/a	29%	19%	20%	23%	27%
Office accessories (e.g., desk sets, portfolios, pen/pencil sets, etc.)	41%	41%	38%	25%	26%	26%	25%
Gift certificates for personal services (e.g., spa treatments, maid service, etc.)	n/a	26%	25%	17%	18%	24%	24%
Redeemable points	n/a	n/a	n/a	n/a	14%	14%	22%
Travel	14%	17%	21%	15%	15%	14%	17%
Other	31%	23%	8%	11%	n/a	n/a	n/a

Figure 28: "Which media channels do you use to communicate/explain your recognition programs to managers and employees? (Check all that apply.)"
Only participants answering "Yes" in Figure 5 received this question.

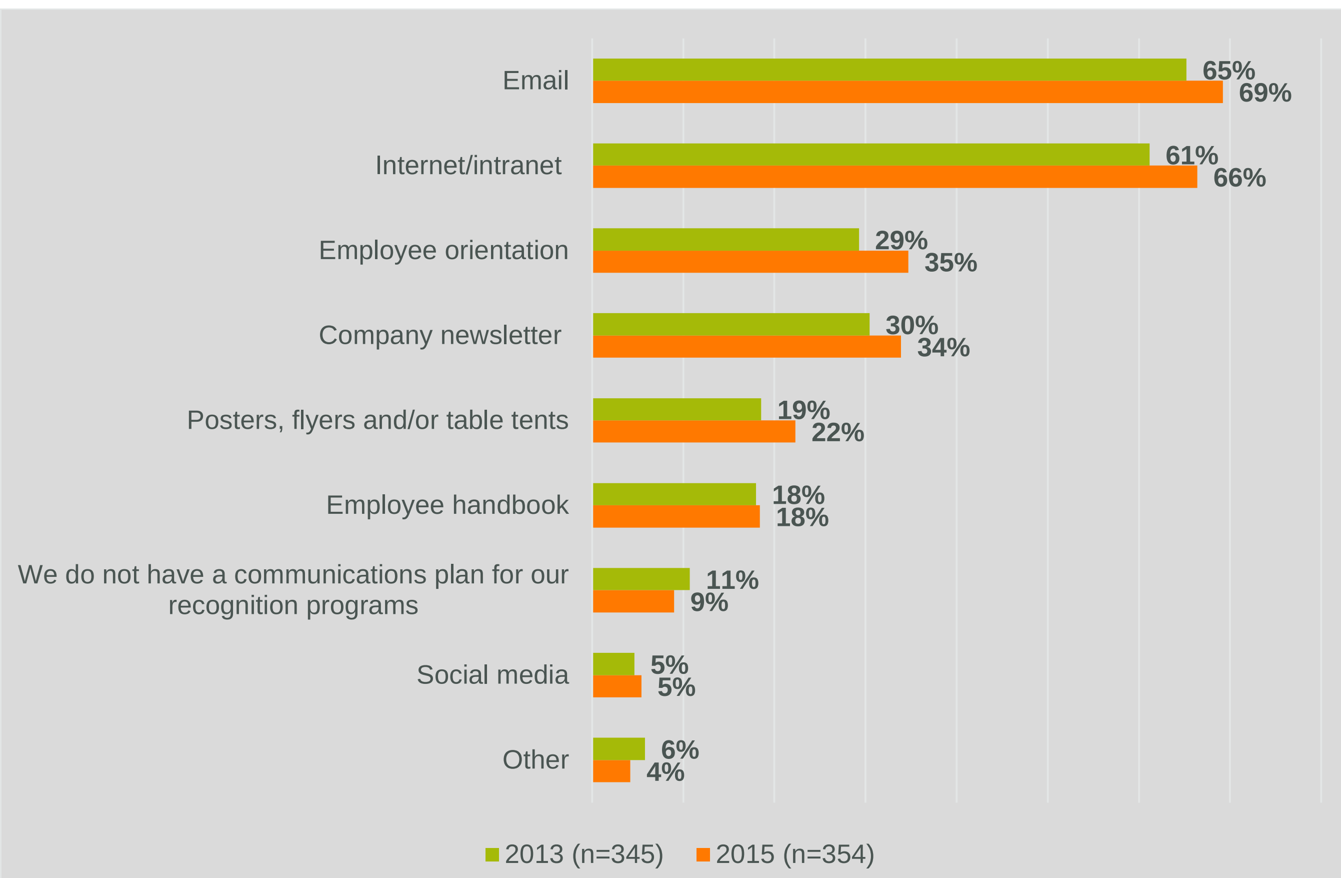


Figure 29: **"Do you have a formal training program for managers about your recognition programs?"**
Only participants answering "Yes" in Figure 5 received this question.

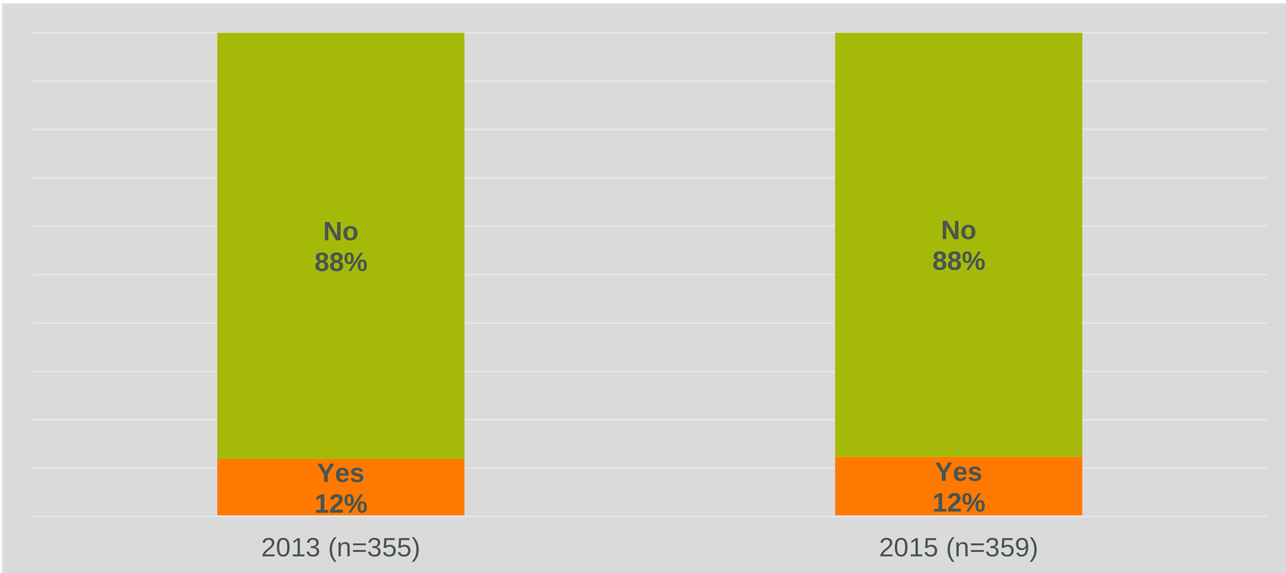


Figure 29a: **"To what degree is a culture of recognition embedded in your organization's culture?"**
(n=365)
Only participants answering "Yes" in Figure 29 received this question.

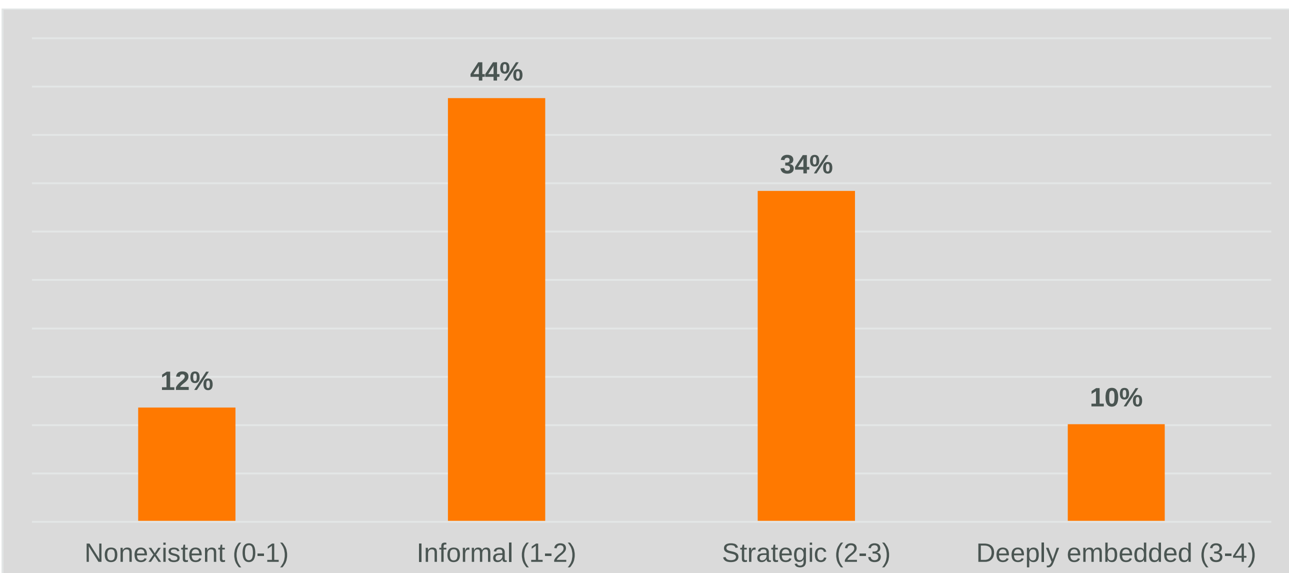


Figure 30: **"Which formal training methods do you use to train your managers? (Check all that apply.)"**
Only participants answering "Yes" in Figure 29 received this question.

	2002	2003	2005	2008	2011	2013	2015
n=	329	112	124	94	71	42	43
In-person training session	76%	75%	69%	80%	70%	57%	81%[9]
Online education	34%	21%	36%	32%	51%	62%	44%
Handbook	42%	36%	36%	34%	23%	24%	35%
Video	6%	10%	8%	7%	10%	14%	14%
Other	10%	12%	17%	7%	n/a	n/a	n/a

Figure 31: **"What level of support do you feel your organization's senior management team shows for your recognition programs?"**
Only participants answering "Yes" in Figure 5 received this question.

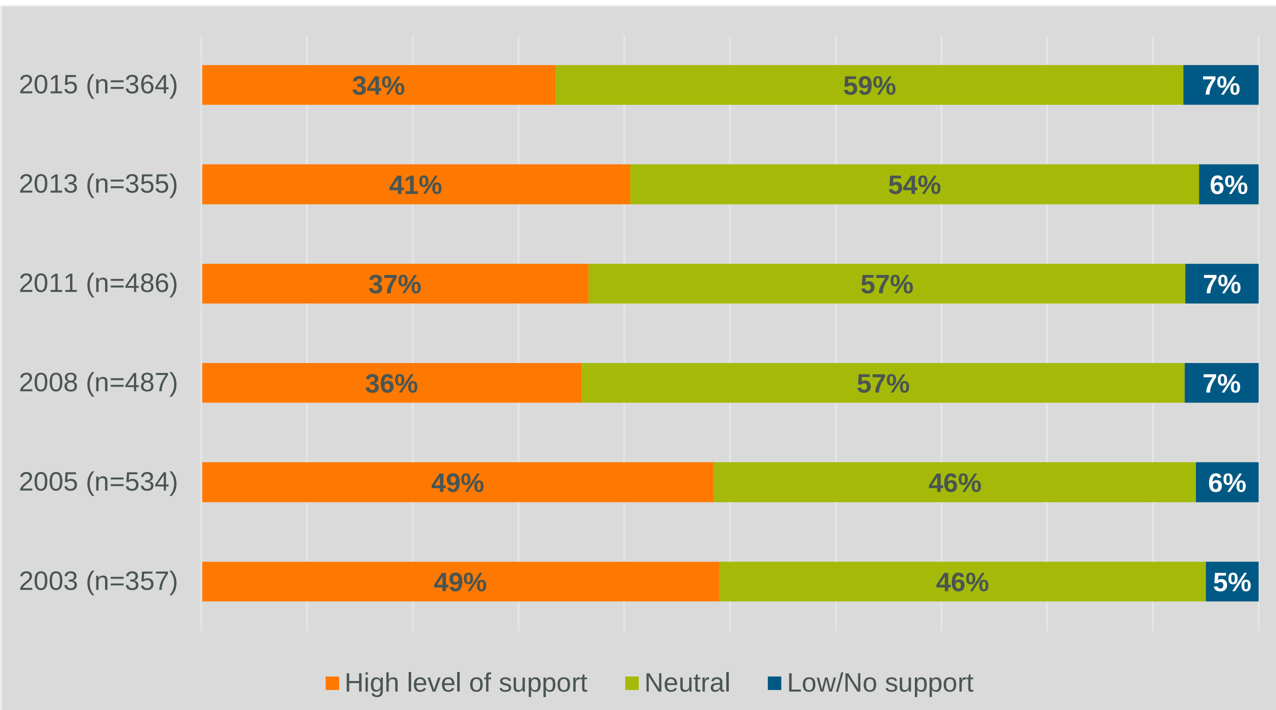


Figure 32: **"Which of the following best describes how senior management in your organization views employee recognition programs?"**
Only participants answering "Yes" in Figure 5 received this question.

	2005	2008	2011	2013	2015
n=	534	492	489	354	362
As an investment	55%	46%	52%	46%	46%

[9] A statistically significantly higher number of participants reported in-person training sessions as training methods for managers (81%) in 2015 compared with 2013 (57%).

As an expense	13%	13%	14%	12%	14%
Unsure	32%	41%	34%	42%	40%

Program Effectiveness

Figure 33: **"What would your workforce say is the effect of your organization's recognition programs on:"**
Only participants answering "Yes" in Figure 5 received this question.

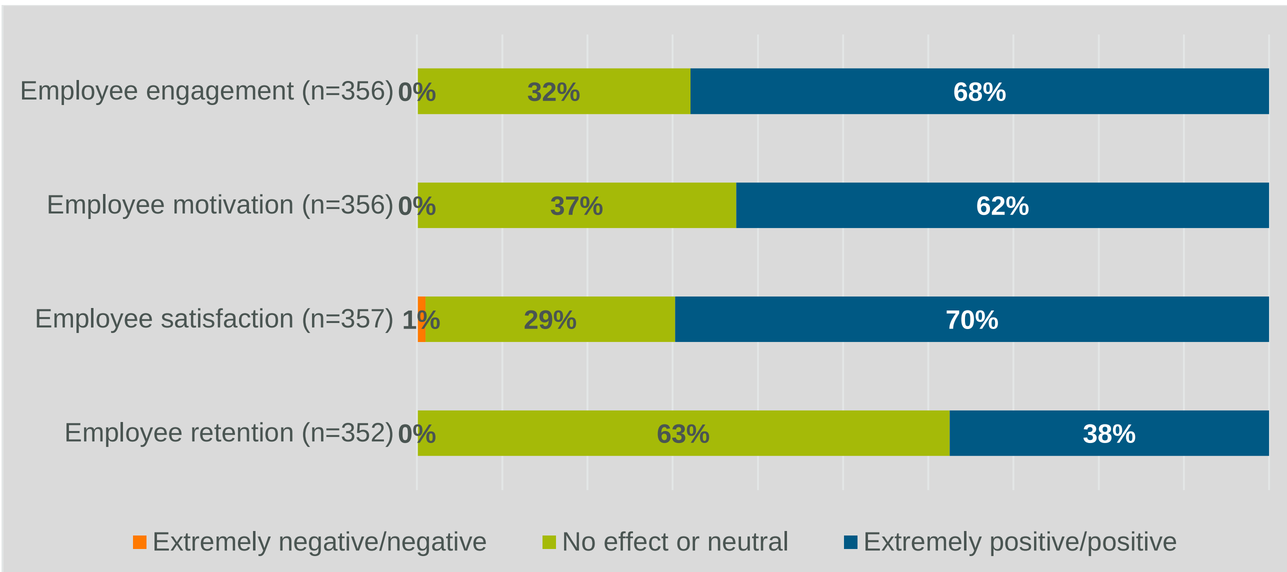


Figure 34: **"Does your organization feature or market some or all types of recognition programs as a key employee benefit when attempting to attract new employees?"**
Only participants answering "Yes" in Figure 5 received this question.

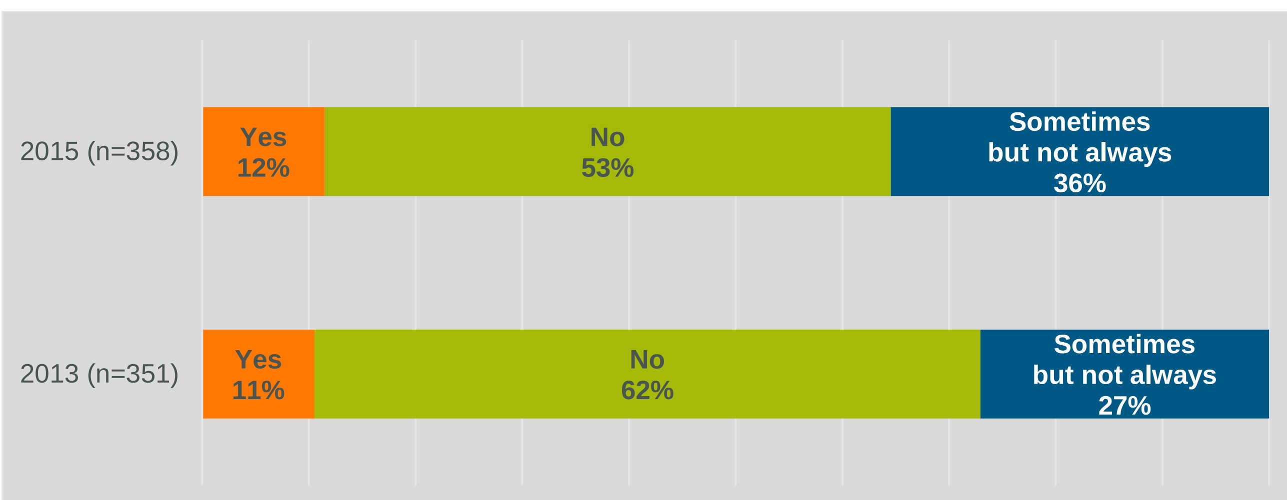


Figure 35: **Degree of recognition embedded in organization's culture and perceived effect of recognition programs on employee engagement**

	Perceived Effect on Engagement		
Recognition Culture	**Extremely Negative/Negative**	**No Effect or Neutral**	**Extremely Positive/Positive**
Nonexistent (0-1)	3%	78%	20%
Informal (1-2)	0%	42%	58%
Strategic (2-3)	0%	13%	87%
Deeply embedded (3-4)	0%	0%	100%

Figure 36: **Degree of recognition embedded in organization's culture and perceived effect of recognition programs on employee motivation**

	Perceived Effect on Motivation		
Recognition Culture	**Extremely Negative/Negative**	**No Effect or Neutral**	**Extremely Positive/Positive**
Nonexistent (0-1)	3%	76%	20%
Informal (1-2)	0%	49%	51%
Strategic (2-3)	0%	19%	82%
Deeply embedded (3-4)	0%	6%	94%

Figure 37: **Degree of recognition embedded in organization's culture and perceived effect of recognition programs on employee satisfaction**

	Perceived Effect on Satisfaction		
Recognition Culture	**Extremely Negative/Negative**	**No Effect or Neutral**	**Extremely Positive/Positive**
Nonexistent (0-1)	2%	66%	32%
Informal (1-2)	1%	36%	63%
Strategic (2-3)	0%	15%	85%
Deeply embedded (3-4)	0%	6%	94%

Figure 38: **Degree of recognition embedded in organization's culture and perceived effect of recognition programs on employee retention**

	Perceived Effect on Retention		
Recognition Culture	**Extremely Negative/Negative**	**No Effect or Neutral**	**Extremely Positive/Positive**
Nonexistent (0-1)	0%	98%	3%
Informal (1-2)	0%	72%	28%
Strategic (2-3)	0%	47%	53%
Deeply embedded (3-4)	0%	38%	62%

Result-Driven Recognition Programs

In an effort to better understand the use and effectiveness of recognition programs that are designed to drive a specific result, four recognition programs were analyzed separately. The four programs are part of the full list of recognition programs reported individually in Figure 11; they are analyzed below, collectively, as "result-driven recognition programs":

1. Above-and-beyond performance recognition
2. Peer-to-peer recognition
3. Recognition programs that motivate specific behaviors
4. Recognition programs to improve biometric indices through wellness initiatives.

This analysis was first introduced in 2013 in a supplemental report to the "Trends in Employee Recognition" survey; however, the methodology has changed. In 2013, the focus was on organizations with "at least" a specific number of programs. This 2015 report examines the effects when exactly one, two, three or four of the four result-driven programs are in place. Additionally, "recognition programs that improve biometric indices through wellness initiatives" was a new survey option this year and was included in this collective analysis, for a total of four programs. For more information on the 2013 results, please see the Supplemental Report.

Figure 39: Number of result-driven recognition programs in use at respondent organizations

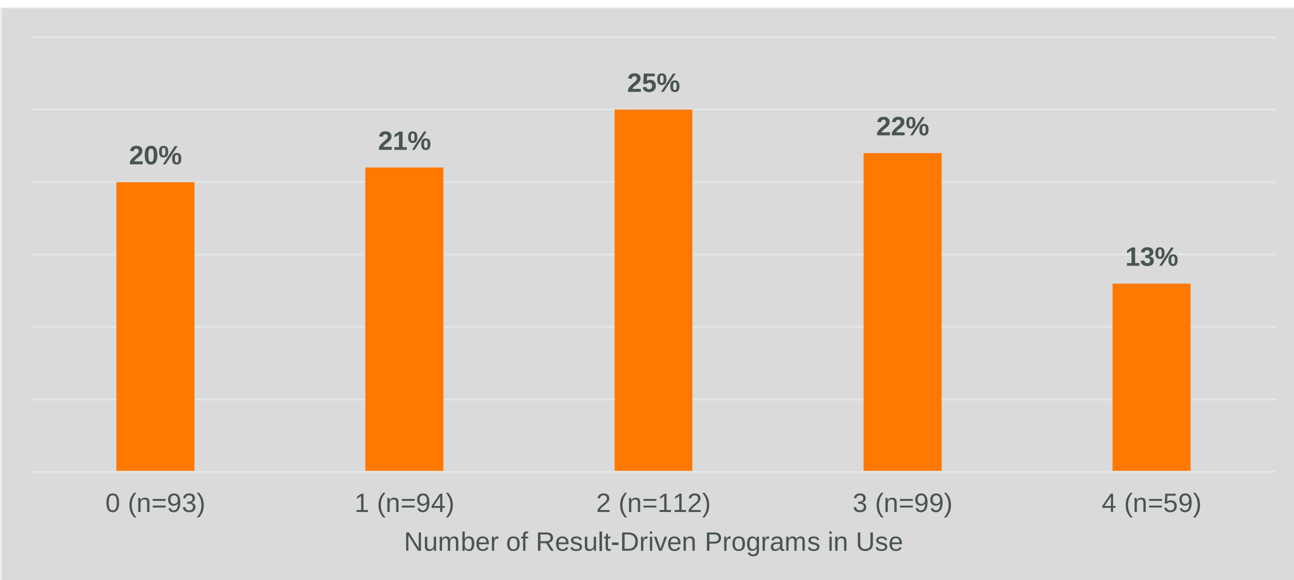


Figure 40: Perception that recognition programs are meeting objectives/goals, by result-driven recognition program(s)[10]

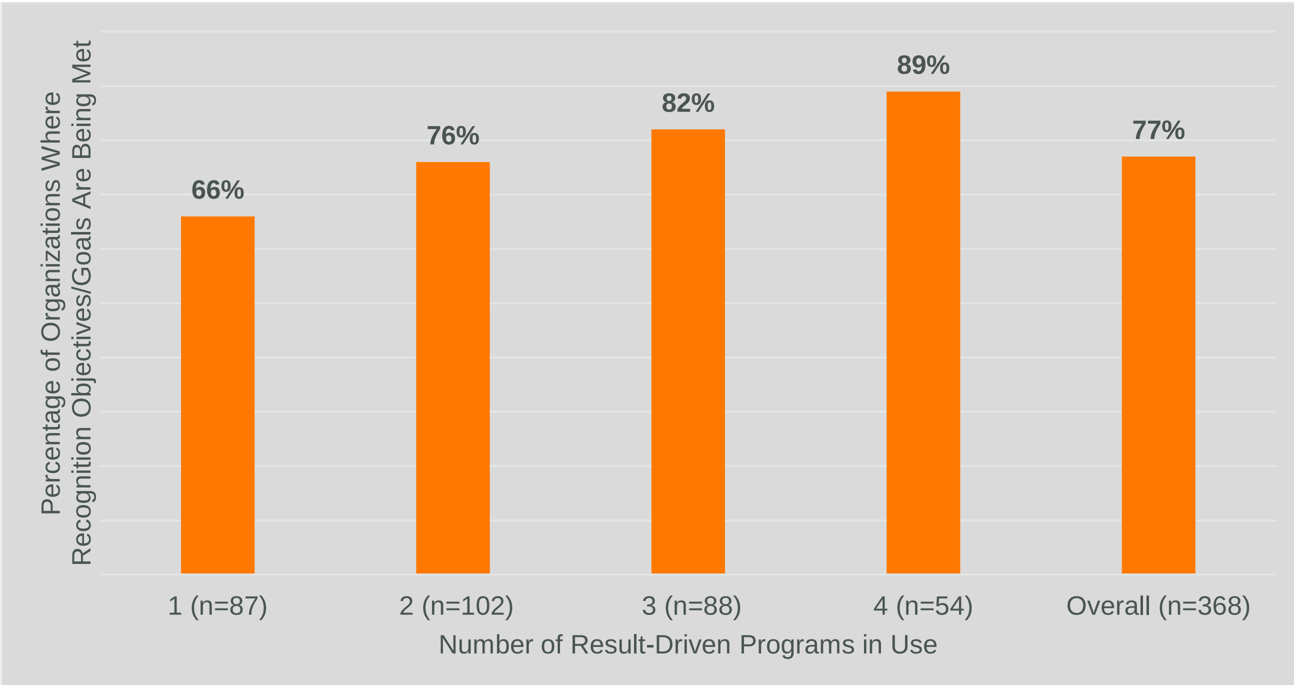
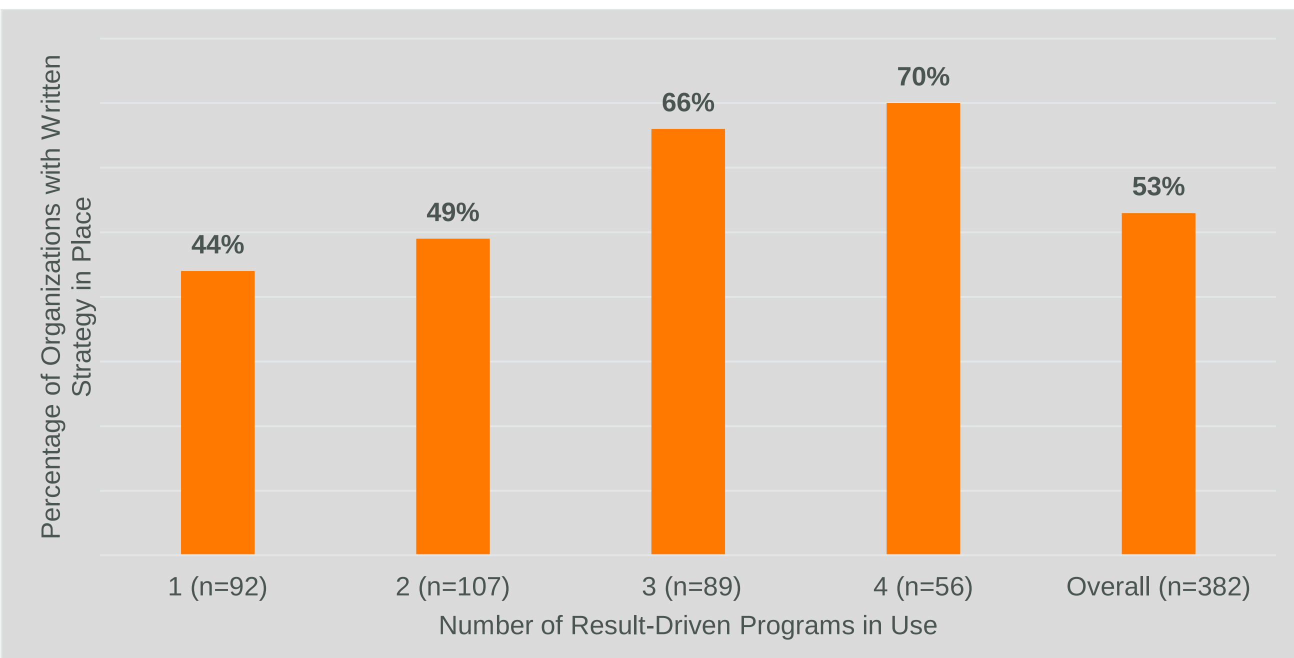


Figure 41: Use of a written strategy, by result-driven recognition program(s)[11]



[10] Please see Figure 18 for overall results from all respondents, not just those using result-driven programs.
[11] Please see Figure 15 for overall results from all respondents, not just those using result-driven programs.

Figure 42: Result-driven recognition programs and recognition presentations

	Number of Result-Driven Programs				
	One	Two	Three	Four	Overall[12]
n=	88	105	86	54	370
Presented one on one with a manager	65%	67%	79%	78%	68%
Presented at a staff meeting	40%	51%	64%	74%	53%

Figure 43: Result-driven recognition programs and recognition award items

	Number of Result-Driven Programs				
	One	Two	Three	Four	Overall[13]
n=	86	102	88	51	362
Certificates and/or plaques	67%	76%	76%	75%	77%
Cash (not pay for performance or compensation)	57%	67%	53%	59%	56%
Gift certificates for product purchases	47%	55%	60%	59%	53%

Figure 44: Result-driven recognition programs and perceived effect on employee motivation

	Number of Result-Driven Programs				
	One	Two	Three	Four	Overall[14]
n=	84	102	85	51	357
Engagement — positive or extremely positive	54%	72%	79%	82%	68%
Motivation — positive or extremely positive	48%	68%	75%	73%	62%
Satisfaction — positive or extremely positive	51%	73%	75%	84%	70%

Figure 45: Result-driven recognition programs and perceived effect on retention

	Number of Result-Driven Programs				
	One	Two	Three	Four	Overall[15]
n=	77	100	78	49	378
Voluntary turnover rate of 10% or less	60%	58%	55%	76%	62%

[12] Please see Figure 25 for overall results from all respondents, not just those using result-driven programs.
[13] Please see Figure 27 for overall results from all respondents, not just those using result-driven programs.
[14] Please see Figure 33 for overall results from all respondents, not just those using result-driven programs.
[15] Please see Figure 4 for overall results from all respondents, not just those using result-driven programs.

Figure 46: Result-driven recognition programs and the percentage of payroll budget used for recognition programs

	Number of Result-Driven Programs				
	One	Two	Three	Four	Overall[16]
n=	49	62	67	37	233
0%	2%	3%	6%	0%	3%
0.1% to 0.3%	51%	50%	27%	30%	42%
0.4% to 0.6%	14%	13%	18%	16%	15%
0.7% to 0.9%	10%	7%	8%	8%	8%
1.0% to 1.9%	12%	11%	30%	32%	20%
2.0% to 2.9%	2%	7%	8%	5%	6%
3.0% to 4.9%	0%	5%	0%	3%	2%
5.0% to 10.0%	4%	2%	2%	5%	3%
Greater than 10.0%	4%	3%	3%	0%	3%

[16] Please see Figure 23 for overall results from all respondents, not just those using result-driven programs.

Participating Organizations

2020
24 Hour Fitness USA Inc.
AAM
AbbVie
Abt Associates
Adventist Health System
Air Liquide USA LLC
Airbus Helicopters Inc.
Alameda Health System
Alexandria Renew Enterprises
Alliance Data
Alliance Data Retail Services
Allianz Global Assistance
Allied Motion Technologies
Alta Resources
AM Castle & Co.
American Red Cross
AMSEC LLC
Anheuser-Busch Employees' Credit Union
ANSYS Inc.
ARAG
Ascend Performance Materials
Astron Solutions
Asurion
Atmos Energy Corp.
Australian Pharmaceutical Industries
Baird
BASF
Baxter
Big Heart Pet Brands
Black Hills Corp.
Blue Cross Blue Shield of Kansas
BlueCross BlueShield of South Carolina
BMI
Boeing
Booz Allen Hamilton
Brinker International
Brookfield GRS
BRP Inc.
Canadian Science Publishing
Canon Virginia Inc.
Carlton & United Breweries
Casino Pauma
CEI Engineering Associates
Celestica
Centro
Charter Communications
Cincinnati Children's Hospital
Cisco Systems
City of Aspen
City of Seattle
Coca-Cola Enterprises
CommScope
Community Health Plan of Washington
Continental Automotive Systems
Cook Children's Health Care System
Corporate Compensation Strategies
Country Casual
County of Simcoe
Crocs
Cumberland Farms Inc.
Cytec Industries Inc.
Daiichi Sankyo
DATA Group Ltd.
Daymon Worldwide
Delhaize America
Desert Schools Federal Credit Union
Dewberry
DHL Express (Australia) Pty Ltd.
DIALOG
Dialog Semiconductor
Digi International
Dunkin' Brands Inc.
Edmonton Kenworth Ltd.
Eli Lilly and Co.
Emergency Medical Care
Emory Healthcare
Empire Life
Employers Resource Association
Encana
Endo International plc
Equity & More
Erie Insurance Group
Exelon Corp.
EZCORP Inc.
Federal Home Loan Bank of Des Moines
Federal Reserve Board
Feeding America
Ferrellgas
Fike Corp.
FINRA
First American
FirstEnergy
Fluor Federal Petroleum
Ford Motor Co.
General Mills
Goodman Networks
Google
Grande Cheese Co.
Great River Energy
Guild Mortgage Co.
Halifax Port Authority

Hazelden Betty Ford Foundation
Health Net Inc.
Hendry County
Henry Schein Canada Inc.
Hess
Hewlett-Packard
HollyFrontier
Holt Renfrew
HomeAway Inc.
Homesite Insurance
HUB International
HubSpot
Hyundai Capital America
Imerys USA Inc.
Ingram Barge Co.
Insperity
Inter-Coastal Electronics Inc.
International Dairy Queen
Jack in the Box Inc.
JEA
Jet Propulsion Laboratory
Jo-Ann Stores LLC
Johns Hopkins-Applied Physics Laboratory
Johnson & Johnson
JT3 LLC
K+S Potash Canada GP
Kelsey-Seybold Clinic
Kiewit
Kingston General Hospital
KSB Hospital
Lake Region Medical
Laureate Education Inc.
Level 3 Communication
Liberty Bank
LifeLabs
Lincoln Financial Group
Louisiana State Civil Service
Manitoba Liquor & Lotteries
MAPFRE Insurance
MassMutual
Mazda Canada Inc.
MillerCoors
MIT Lincoln Laboratory
Mitchell International Inc.
MITRE
Monsanto
Motorola Solutions
MSA Safety Inc.
National Fuel Gas
National Pen Co.
Nature's Path Foods
New Hampshire Housing Finance Authority
Nike Inc.
Nordion Inc.
Nordson Corp.
North Shore Medical Center
NorthStar Financial Services Group LLC
NOVA Chemicals
Novartis
Oncor Electric Delivery
Panasonic Corporation of North America
Patheon
Pentagon Federal Credit Union
Perfetti Van Melle
Philip Morris International
Phoenix Children’s Hospital
Piedmont Natural Gas
Pinnacle Health System
Polycom
Princeton HealthCare System
Printec Group of Companies
Printronix
Proteus Digital Health
Protiviti
Qualcomm
Quantum Corp.
RAE Engineering and Inspection Ltd.
Regency Centers
Regeneron Pharmaceuticals
Revenu Québec
Ridgewood Savings Bank
Roche
ROIG Lawyers
Royal FrieslandCampina N.V.
Rubino Consulting Services
Ryerson University
Rytec Corp.
Safelite Group
Saint Mary's Hospital
Salt River Project
Santee Cooper
Savers Inc.
Schindler Elevator Corp.
SciClone Pharmaceuticals Inc.
Seven West Media
SharpShooter Imaging
Shire
Siemens (USA)
Sierra Nevada Corp.
Sirius Computer Solutions
Smiths Medical ASD Inc.
Sofina Foods Inc.
Splunk Inc.
Sports Authority
St. Jude Children's Research Hospital
St. Louis County Government
Staples Canada Inc.
State Farm

SYMANTEC
Symetra Financial
SYNNEX Corp.
Tallgrass Energy Partners
TEES
Terumo BCT
Texas Mutual Insurance Co.
The Croner Co.
The Lubrizol Corp.
The Manitowoc Co.
The Maschhoffs LLC
The Queen's Medical Center
The Urban Institute
The Walt Disney Co.
The Wawanesa Mutual Insurance Co.
Topa Insurance Group
Towers Watson
Town of Gilbert, Arizona
TransAlta Corp.
Travelers
TriZetto
Unisys
University Hospitals
University of California Riverside
University of St. Thomas
University of Toronto
USG Corp.
USO Inc.
Vantage West Credit Union
Vidant Health
Vitamix
Volvo Group US
Whirlpool Corp.
White Castle
Wilson Group
Wolseley Canada
Wolverine Advanced Materials
Wood Group Mustang
Yakima Valley Memorial Hospital
Yellow Pages
YuMe Inc.
Zimmer Inc.
Zurich