O.C.TANNER

HR TALK

Six Things to Think About Before Implementing an Employee Recognition Program

From one HR leader to another: I know how tricky it can be to implement new employee programs, especially in this rapidly evolving workplace. While something like employee recognition seems like a simple enough initiative, there are important nuances to keep in mind. Recognition can be a powerful force in improving workplace culture so employees thrive at work and want to stay, but if your recognition program misses the mark, you may miss out on cultural impact as well.

Here are six things you should think about before implementing a new recognition program. Whether you do it yourself, or partner with an experienced provider, how you design, implement, and support your solution will make all the difference.

Dana Rogers
Director, People Systems and Total Rewards

O.C. Tanner Company
SPHR and SHRM-SCP
31 years in HR
17 years at O.C. Tanner

1. Define the "why" of recognition.

Whether you are trying to convince senior leaders to invest dollars and resources, training managers on the importance of recognition, or getting employee buy-in on a new program, the "why" of recognition is the most important thing to communicate. Why is recognition important, and what impact can it have on your organization? Think about the goals and dreams you have for your new initiative. Are you trying to improve the daily employee experience? Increase engagement? Be a more attractive place to work? Improve retention? Show employees they are valued? Whatever the reason for recognition, make sure it's clear, specific, and aligned with your organization's purpose. It is essential everyone knows there is a reason to recognize great work beyond the recognition itself.

Why Recognition?

- **79% of people** who quit cite "lack of appreciation" as the reason for leaving.

- Employees are **5x more likely to stay** when regularly acknowledged for good work.

- Organizations with **well-integrated recognition** are:

    ° 4x more likely to have highly engaged employees

    ° 2x more likely to have increased in revenue in the past year

    ° 73% less likely to have layoffs

    ° 44% less likely to have employees suffering from burnout.

- Recognition **builds connection**: it leads to a 20-point increase in sense of purpose, 25x increase in odds of a strong connection to leaders, and a 15x increase in odds of a high connection with team.

- Employees who are recognized generate **twice as many ideas** per month

2. Keep all the nuances in mind when designing a recognition solution.

Many companies try to create their own home-grown recognition programs and fail because they don't understand the nuances around creating a formal process for recognition. You'll want to get specific about what kind of programs and tools your program needs. Use our checklist and consider things like:

☐ What are you trying to achieve with recognition?

☐ What behaviors do you want to recognize?

☐ How do you tie recognition to your company values and goals?

☐ What is the difference between a recognition program and an incentive program?

☐ What types of monetary vs non-monetary recognition should you include?

☐ What are the appropriate levels of awards?

☐ What types of awards do you want to have?

☐ How do you allocate available budgets?

☐ What approvals will you have (also known as the approval path)?

☐ How should recognition be presented, given, and publicized?

☐ How do you make your program successful?

If it seems daunting to do it all yourself, consider partnering with an expert to help guide you through recognition strategy and design.
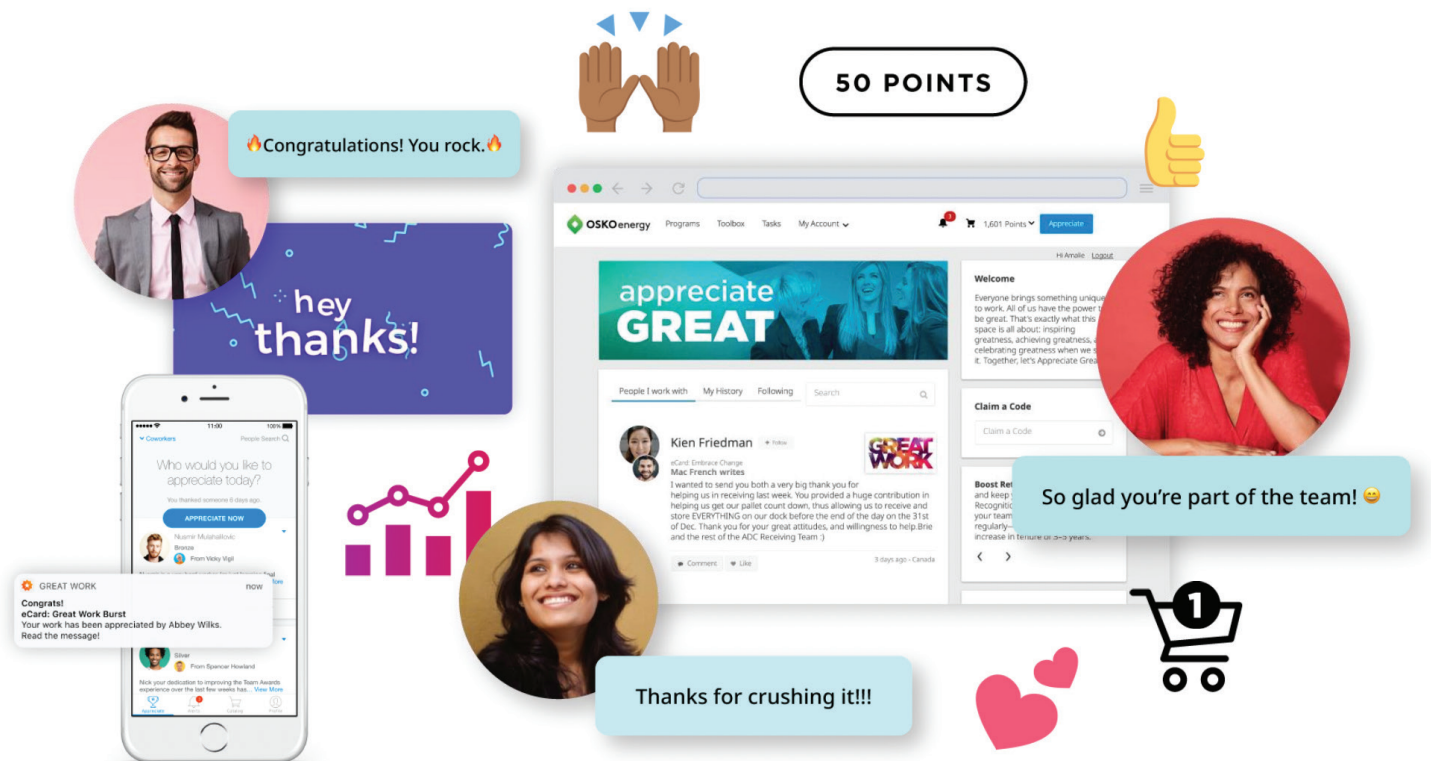

Find a recognition solution that provides a variety of ways to recognize to meet your goals and needs.

3. Make recognition tools accessible in the apps people already use, and remember integration is about more than just technology.

Deloitte reports that every day, the average worker uses eleven different technological systems to do their job. Integrating recognition technology means that people should be able to easily access the tools they need to recognize great work immediately when they see it happen. Instead of making employees dig through your intranet website to find your recognition program, put shortcuts and links to recognize into the programs they already use, like Outlook, Salesforce, and Slack. Allowing recognition to happen on mobile devices and within collaboration tools, in addition to visible links on your intranet, lets employees quickly and seamlessly give recognition when they see something great happen. Being able to acknowledge someone "in the moment" ensures recognition happens frequently and consistently.

And recognition integration is about more than just technology. It's ensuring recognition is embedded into your everyday employee experience and workplace culture:
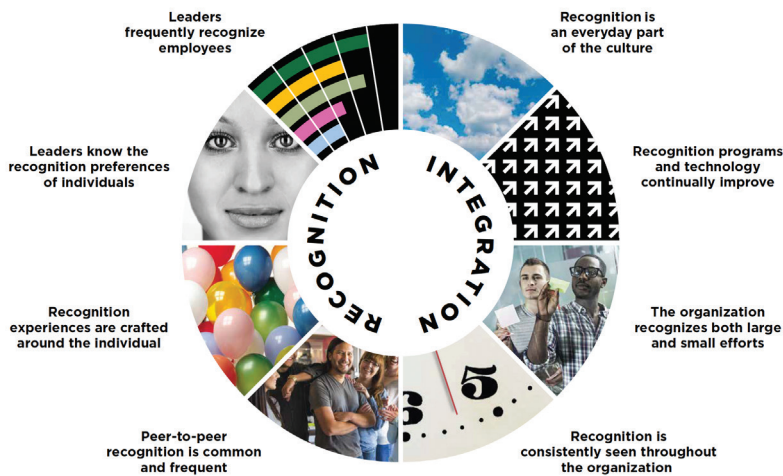
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Plus, employees are 3x more likely to report an extraordinary employee experience when recognition is embedded in the culture.

4. Consider implementation carefully.

Manage change deliberately. It takes time and effort to get employees on board with any new program, and recognition solutions are no exception. While any new rollout has its challenges and setbacks, a little planning goes a long way. In fact, it will make implementation smooth and successful. Think about how you want to launch the program and what you want to communicate about it. Without a good change management plan, adoption of any new technology drops 51% and the overall employee experience decreases 32%.

Create a communication plan for rollout and give leaders a preview of the tools. Consider using roadshows and "appreciation champions" or ambassadors throughout the organization if you have multiple locations. Establish a clear process of how people should give recognition: How should recognition be presented? What happens if someone doesn't use the program? Train leaders and employees on the whys and hows of recognition.

Remember that it takes time for a new program or solution to take off, so don't get discouraged if you don't see the utilization you expect right away. Constant improvement is better than a flash in the pan. Dedicate a resource that employees can go to with questions about employee recognition, and have an established communication plan for how you'll promote and remind people of the program throughout the first year. Be sure to keep excitement going beyond launch and well into the future.

Without adequate communication and training, new technology increases stress and decreases confidence in the organization by 29%.

5. Build a community.

Recognition can stay top of mind and be viral if people are seeing it, hearing about it, and giving it every day. Create a community where people can cheer each other on. Have a social media wall of fame where recognition is publicly displayed to broadcast accomplishments company-wide. Allow people to like and comment on recognition and interact with their peers. When celebrating work anniversaries, invite other employees to pile on praise, whether on paper or in a formal presentation, and make anniversaries public so people can proactively send a note and celebrate.

Share stories of success loudly and proudly. When employees can celebrate each other, you build a community of appreciation, team, and great work.
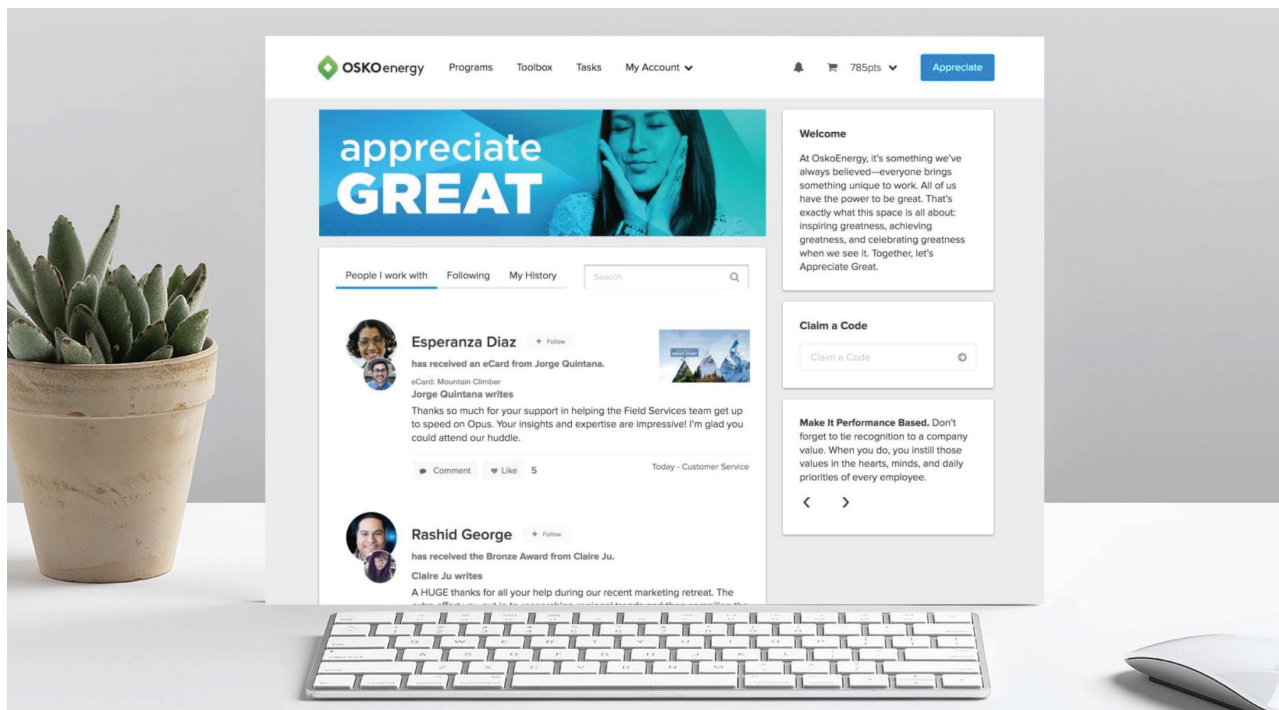
Having a Wall of Fame spreads success across your organization and invites others to participate in the recognition experience.

6. Think about how you'll grow.

Nurturing a culture of recognition doesn't stop the day after launch. Have a strategy for how you'll maintain momentum and grow it. How will you keep recognition top of mind? Do you have ongoing reminders to recognize, or a plan to keep leaders accountable for recognizing their people? Use proven ways to help leaders and employees regularly look for opportunities to recognize, whether it's sending every new hire a welcome e-card to introduce the program or having leaders schedule 30 minutes each week to give recognition. Simple, small steps can start to make recognition a habit.

Your solution should have an easy, automatic way to track who is giving and receiving recognition. Share that data with leaders so they can see what's happening on their teams and identify where recognition can grow.
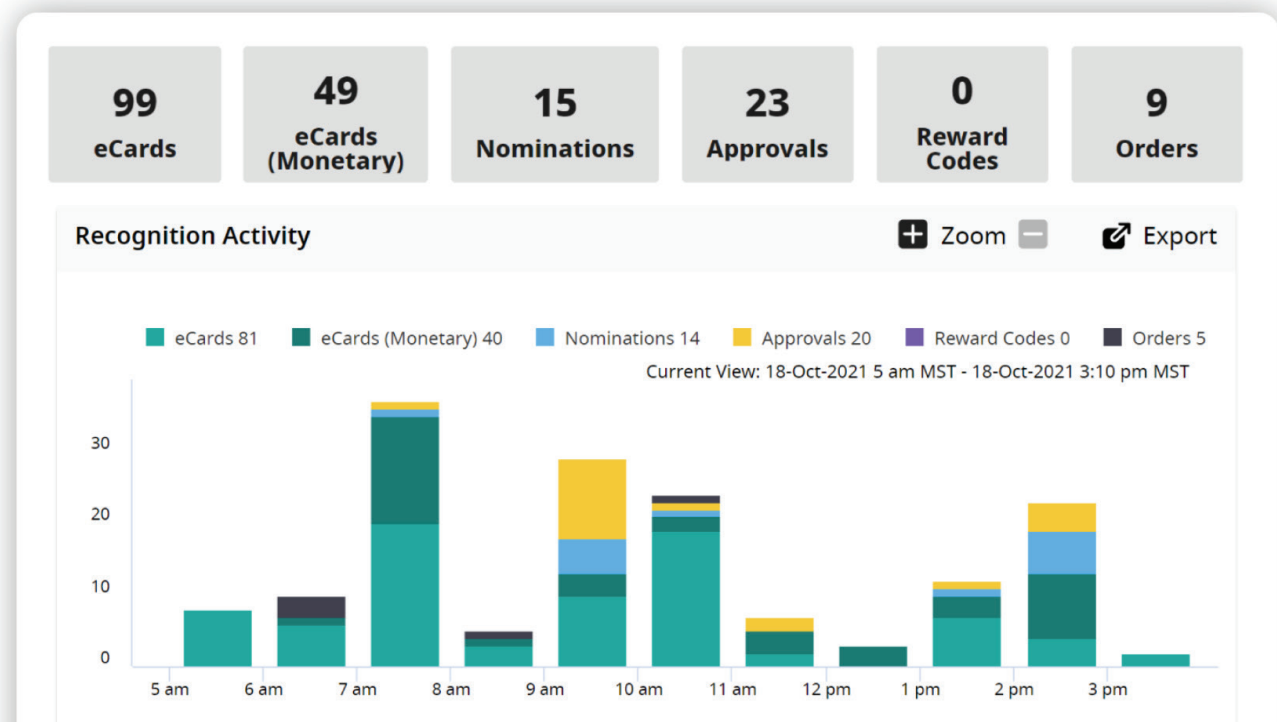
Also think about regularly updating your program. As a rule of thumb, we recommend a solution refresh every 2-3 years to maintain momentum. Add new awards, update the look and feel, replace old photos, add another award level. You may also want to integrate other programs into your recognition solution—service awards, incentives, wellness, etc. Whatever you do, update your solutions regularly to keep your programs new and exciting and give employees even more ways to celebrate success.

You don't have to do it alone.

Above all, believe in the incredible power of recognition. Recognition can transform your organization. You'll see changes in how employees feel and interact with each other, your customers, and their work. If done well, recognition can even impact your organization's bottom-line growth and financial success. You just need to believe in it, champion it, and do it.

Here are some resources to help you:

1) Don't go it alone. Use this handy guide to find a partner you trust, with the expertise to do recognition the right way.

2) Here at O.C. Tanner, we use our Culture Cloud suite of apps and solutions to say thanks and celebrate our people. It's an integral part of our organization's culture.

3) I invite you to contact us to learn more about how recognition can work in your organization.

4) Download our Essential Guide to Building Recognition Programs for more best practices.