

Beyond The Gold Watch—Employee Recognition Today

By Lynn Brown, CHRP

The gold watch. Received upon retirement in recognition of 25, 30 or maybe 40 years of loyal and valuable service. But times have changed. Recognition is not just for long service anymore. Employees are expecting more and companies are looking for new and innovative ways to recognize their people.

“Delaying and a greater demand for acknowledgement have changed the way we look at recognition,” Roy Saunderson, President, Recognition Management Institute, said in an interview. Recognition certainly becomes a key factor for any organization where fewer people are doing more work, as in the case of organizations embarking on a major reorganization or restructuring.

“Mechanical programs alone just don’t cut it anymore,” Roy Saunderson added. “Recognition needs to include not just a material gift but an experience honouring the person.”

When we think of recognition programs, traditional long service awards come to mind. However, employees are no longer staying with one employer for extended periods of time and programs need to take that into account. “Too many times recognition deals with things, like service, rather than feelings or experiences,” said Saunderson.

“Our Service Award Programs are very special and we take them very seriously,” said Yvette Amor, Manager, Communications and Employee Recognition for Procor Limited. “We recognize five-year milestones. On an employee’s anniversary date he or she is presented with a small gift from their manager to recognize the day. The presentation is in a forum appropriate to the individual and the department. This is left up to the manager’s discretion. Some present it in a group setting or some present it over lunch.” At the end of the year, Procor holds a formal recognition party, separate from the annual holiday party, in which employees are presented with their selected gift chosen from a recognition provider.

“Making it personal is key,” said Saunderson. “I recommend doing a profile of each person. Not just

marking time, but marking their experiences. Commemorate the experience as it happens through a video or photo. Then send it along with a letter of remembrance after the fact.”

Amor agreed, “Each year a Procor publishes a book celebrating all those individuals who have had a service milestone in that past year. It includes a color photo, a bio and a brief summary. It’s a wonderful keepsake commemorating the employee’s service.”

Moving away from the traditional long service awards, Xerox Canada implemented a Performance Recognition program for their technical customer service group. Performance teams are evaluated based on fair and objective criteria. Each year awards are given to the top achievers across the country. The award includes a weekend away with the individual’s spouse at a resort. Award recipients celebrate together by region. “The motif of ‘coming together’ has been a very positive aspect of the award program,” said Doug Fleming, Program Manager, Customer Services, Xerox Canada.

Also, in keeping with this trend away from strictly service-based rewards, Procor offers three additional recognition programs, including a Points Program, a Fitness Program and a Scholarship Program. “One of the most popular programs is the Points Program,” Amor said. “Employees earn points on specific measurements such as good attendance or furthering their education. Periodically, they receive an account statement and can redeem their points from a gift catalogue.”

The Scholarship Program recognizes the importance of family. Children of Procor employees are awarded scholarship prizes for high academic achievement. The Fitness Program recognizes employees’ contribution to their own physical well-being. The company provides individuals with rebates to put toward fitness memberships.

“A successful program needs to be easy to manage and to work within the scope of your budget,” said Amor. One major consideration in establishing service-based programs or even multiple recognition programs is the administration required.

In these cases, some companies may choose to contract out the administration portion of their programs.

R & D Corporate Services, a third-party recognition provider, offers both program administration as well as merchandise for rewards. "With many of our clients we handle the administration for them," said Rick Clarke, President, R & D Corporate Services. "We have developed special technology that allows us to manage all aspects of administering a program for them."

Another key factor in a successful recognition program is to include employee input. "An effective program needs to be owned by the participants," Saunderson said, "just as it needs to have support from the leadership and reflect the values of the organization."

Even in traditional recognition award programs, there is a shift in what people are requesting. "As a recognition provider, we are finding that there is a move away from the more traditional heirloom-type gifts like watches or pins to lifestyle gifts like TVs, cameras and bicycles," Rick Clarke said.

Of course, for all the effort and resources an employer puts into a formal recognition program, its success or failure can hinge on, not just the execution of the program itself, but also on how recognition happens in the office everyday. "It's not just major milestones that are important," said Amor. "Ongoing recognition [at Procor] continues throughout the year in a monthly newsletter focusing on employee achievements."

Saunderson agreed. "Recognition programs need to be built on a foundation of everyday recognition. If a manager or leader walks through the office and never addresses anyone by name or never says 'good morning,' formal recognition will not work." In support of this, Procor managers are provided with a training video on the how's and why's of recognition.

Certainly, there is an investment of time and money in any recognition program. On the other hand, recognizing employee service, achievements or contribution to the company can be an important element in maintaining service levels, employee retention or other factors in a company's success. "Putting an emphasis on recognition has made a significant impact on employee morale," Amor said.

"I can't sit here and say that recognition programs by themselves contribute to the bottom

line," Saunderson said. "But there is considerable research that shows that a philosophy of putting people first, creating a creative culture, caring for people and listening to people does have a direct measurable effect on the bottom line."

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