

Creating an Effective Employee Recognition Program



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As an employer or as the manager of human resources within your company, you may feel that the volatile economy of today creates a buyer's market in your favor when it comes to the hiring process. However, nothing is further from the truth if you are looking for top quality employees that you will actually want to keep over an extended period of time. In order to maintain a relationship with employees that are in high demand, you must create an employee recognition program that recognizes the achievements of your employees and gives them the incentive to want to move forward with your company. Below are just a few of the ways that you can create this employee recognition program or revamp the one that you already have.

First, you must make sure that the incentives that you are offering are in line with the level of employee that you are trying to attract or keep. Depending on the type of experience that you are looking for in your vacant positions, you will need to offer incentives that are in line with market value for these positions. If you want to keep employees that are in demand, you will always need to make sure that you are modifying your system to keep up with any changes in market value. This is the key: You must realize that incentivizing employees will not remain the same over an extended period of time. Your competition will respond to the incentives that you are offering as well they should. You, in turn, will have to respond to those responses.

As a matter of fact, the narrower job market has created a seller's market more than anything. Employees that are in high demand with a relevant skill set and recognized experience understand that they are in the driver's seat when it comes to the perks that they can receive in return for their loyalty. As an employer or a human relations manager, you must realize that there is no such thing as true loyalty. People are going for the shiniest object in this employment market, and you must always keep up with the latest incentives that are being presented so that you can be that shiny object that is always in demand.

Second, keep in mind that incentives do not always have to be monetary in order to work. As a matter of fact, as you move up the food chain in experience, you will find that employees are much more likely to want other kinds of perks. Many of them have made their money in their earlier lives and are now looking to cement a legacy in their industry. There are many incentives that you can offer to help them do this.

Incentives that are not monetary can also work for lower-level employees as well, saving your company money while providing even more incentive for employees to perform well.

Recognition is perhaps the number one incentive that is not monetary which has been proven to incentivize and engender loyalty in employees. Make sure that rivals within the company know about the performance of top employees. This has the added effect of spurring on the productivity of those employees who were not recognized, increasing the overall productivity within the company. You must make sure that this recognition is substantial in nature and is in keeping with the types of recognition that those employees could receive and other companies. A picture on the wall is no longer sufficient: You may need to incentivize employees with perks such as dinner with the owner of the company or a trip with the C level employees to Hawaii – anything that will truly set the employee apart from his or her colleagues in terms of everyday office status. Give your top employees perks that your other employees will be talking about around the water cooler and you are beginning to understand the nature of incentivizing without offering a great deal of money directly.

Third, understand that your recognition programs do not have to be formal in order to work. As a matter of fact, psychology 101 tells us that rewards that are intermittent and seem to be spontaneous do a great deal more to incentivize the individual than rewards that are stated and expected.

The reason that "hidden" rewards seem to work more efficiently than stated rewards is that employees are able to modify their behavior based on their self-engineered notion of actually obtaining that reward. For instance, if you run a sales floor, and you state that a trip to Hawaii will await the purveyor of the most sales for the upcoming month, you will likely tier your employees into the following categories:

Tier one will be the group of employees who have been doing well and who always seem to be at the top of the sales charts. They will work hard and compete quite hard for the prize because they have a genuine hope of actually winning it. This is good for the company unless one employee pulls ahead by some stroke of luck sometime in the month. If the other employees believe that they will never catch up, then they will stop working towards the prize. It will no longer be an incentive.

Tier two will be the group that may or may not try to match their tier one counterparts. Perhaps you have a crop of new salesmen who are eager to fight their way to the top. If you have been lucky enough to find these people, then they will fight. However, if your sales team has never been motivated before, this will likely do very little to motivate this tier of worker.

Tier three consists of the free riders - the employees in the "back of the class." These are the employees that do just enough to keep from getting fired. They understand the numbers of the company and they do just enough to secure their jobs. They realize that they will never be fired because they bring in just enough money to make it worthwhile to the company to keep them. No kind of incentive that is stated directly will ever motivate this tier of employee, especially if they believe the tier one employees to be somehow favored by management (which they likely do, as another excuse that will help to self-justify their own laziness to themselves).

Overall, the company will not experience a rise in productivity for any extended period of time under this type of a system. If rewards are given intermittently and unexpectedly, however, no one knows exactly when or where the next one will be given. They will always have to be on their guard and they will remain more productive. Think of this as the "Santa Claus" incentive package: Your employees should never know what the next present will be or when it will be given.

If you have an incentive program in place that does not seem to work, it is likely because your employees have become used to it and have organized themselves into these tiers (whether they recognize it or not). Change your program to become more "hidden" and watch your employees perk up after the first few rewards.

Believe it or not, the best incentive programs are always bolstered by a "de-incentive" program alongside them. As the point of an incentive program is to shake employees out of their comfortable state by using positive rewards and feedback, the purpose of the incentive program is to accomplish the same goal by using negative rewards and feedback. Yes, although you should endeavor to create a physically comfortable environment for your employees, in order to raise productivity within your company, you should also endeavor to create a mentally on comfortable environment. If people believe that their actions will always have an effect on the way that they are perceived within the company, they will always be moving in a manner that will help to increase their positive perception. This is where you want the mindset of your employees.

If you keep the above tips in mind, you will be able to create an entirely new incentive program if you do not have one already in place. You can also apply the concepts above to any incentive program that is not currently working for you. You should be able to shake your employees out of apathy and into higher productivity by letting them know that you are always watching what they're doing. Remember that employees are always seeking out recognition, even if that recognition is the fact that they do not deserve any recognition. You must make it clear that the people who do not receive positive recognition will not be allowed to stay on board. This will help create the high levels of productivity that you should always expect out of your employees.

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