



# EMPLOYEE RECOGNITION

..... toolkit

## WHAT IS EMPLOYEE RECOGNITION?

Generally speaking, employee recognition is the act of acknowledging and appreciating the employee attitudes, effort and work that support your company's values and goals.



Imagine the competitive advantage you could create for your organization by making employee recognition a priority.

## WHY DOES IT MATTER?

According to 2015 research by [Aon Hewitt](#) 72% of employees value communication and recognition from their leaders, and 46% report they don't get enough. Employees who are recognized are 33% more likely to proactively innovate and generate two times as many ideas per month compared to those who aren't recognized well.

Research by [Forbes](#) shows that organizations with recognition-rich culture, experience 31% lower voluntary turnover.

According to the [The Great Place to Work Institute](#), companies that make their Best Places to Work lists thank employees personally and in unexpected ways; they thank people frequently and cultivate a "climate of appreciation."

We often hear from small business owners, "I don't have the time or money for an employee recognition program." The truth is you really can't afford not to invest in your employees. We've put together an Employee Recognition Toolkit to help you get started building your own culture of employee recognition.

Where to begin with

# EMPLOYEE RECOGNITION

## What you will find in this toolkit:

- page **3**      Establishing Fair Compensation
- page **5**      Types of Formal Recognition
- page **6**      Types of Informal Recognition
- page **8**      Benefits and Perks as Employee  
Recognition
- page **9**      Recognition Best Practices
- page **12**     Employee Recognition Self-Review

## ESTABLISHING FAIR COMPENSATION

At the very heart of employee recognition is fair compensation. Employees want to feel as though there is a balance and that they're being paid what they're worth. If your employees are not receiving fair pay, nothing else matters.

According to research by NIELSEN,

80%  
OF  
EMPLOYEES

report being stressed out by work, with the biggest workplace stress listed as low pay



The main reason for this is that pay is the most visible, tangible and frequent form of employee recognition. Employees feel the effects of their paycheck on a daily basis when they fill their gas tanks, buy groceries or get cash from an ATM.

According to research by the [Harvard Business Review](#), the most important contributor to job satisfaction for all employees was Base Pay, followed by Bonus Pay. High performing employees care more about these than low or average performers.

Small businesses may struggle to understand what fair compensation is for the positions within their organization. There are a few places you can do research:



Glassdoor is a website where employees and former employees can review their employers. They can enter details about the company's culture, pay and benefits. This can be one way to research what other organizations are paying their employees. Keep in mind that these are self-reported by employees and may not be 100% accurate.



This is another website where you can find free salary data. The data is based on national averages, so it may not be entirely accurate for your location.



Helpside offers employers a Salary Survey reports for \$10 per position. These reports give a low, middle and high range of pay for specific position and location. These can be a great tool to get a more accurate picture of what you should be paying your employees. If you're interested in learning more, contact our HR team. You may also use the form on page 4 to request a Salary Survey for a specific position and send it to [humanresources@helpside.com](mailto:humanresources@helpside.com).

# SALARY SURVEY REQUEST FORM

Company name: \_\_\_\_\_

What is the job title?: \_\_\_\_\_

What are the major job duties for this position (attach accurate job description, if available)?

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What is the current salary range for this position?: \_\_\_\_\_

Do you feel this is in the low, medium or high salary range for this position?

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When was the last time you reviewed the salary for employees in this position?

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How often are you experiencing turnover in the position?

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What are the most common reasons employees leave this position?

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## FORMAL RECOGNITION

Formal recognition is planned, structured and often based on a milestone such as a birthday, the completion of a goal or an annual event.

Some examples might include:

- Birthday celebrations
- Employee of the Month programs
- Tenure awards for five, 10, or 20 years of service
- Retirement parties
- Company holiday parties
- Annual summer picnics
- Friendly competitions (recognition and/or awards for most service calls completed, highest sales numbers, most referrals generated, etc.)

With formal recognition, messaging is important. To make the biggest impact, make sure you remind employees why they are being recognized to reinforce the positive behaviors you hope will continue. Be sure to tie messaging into the mission, vision and values of your organization. Consistent messaging is key to making these events meaningful and relevant.

For example:

- During a company Christmas party or summer picnic, thank your team members for all of their hard work—be specific about what you're thanking them for and how their contributions made a difference to the organization. Also, take the time to thank their spouses or families for supporting them in their work.
- For Employee of the Month programs, explain why the individual was selected and how his or her contributions aligned with the organization's mission, vision and values.
- During a tenure award ceremony or retirement party, explain how the employee's work helped the company reach its goals over the individual's years of service. Be sure to involve others who have worked with the employee as they will likely have excellent examples of the contribution the recognized employee has made over the years.



## INFORMAL RECOGNITION

Informal employee recognition is just that. There doesn't need to be a special event to show your team members you value their contribution. This type of recognition actually has the biggest impact on employee attitudes and performance. It often highlights the hard work of a single employee or group of employees who are going above and beyond the call of duty.

Some examples of informal recognition include:

- Sending a hand-written thank you note to an employee, letting him or her know you've noticed and appreciate their hard work. Better yet, send another thank you note to the employee's spouse or family to let them know you value the contribution their family member makes in your organization.
- Highlighting great employee effort in the company newsletter, Facebook page or bulletin board.
- Inviting an employee who's performing well to have lunch with the executive team to thank them for his or her work.
- Bringing in hot chocolate, coffee and donuts for your team when you ask them to come in early (or provide dinner if they're staying late).
- Offering an early out day or flexible schedule.

The key to informal recognition is to make it part of your company culture so that it comes naturally to your leaders. Provide your leadership team with the resources they need to show employees they're appreciated.

- Make sure your leaders know what options are available and encourage them to use those resources. Giving leaders a budget gives them flexibility and autonomy to recognize their team members regularly.
- Consider providing blank or branded notecards to your leadership team to use in praising employees along with the Thank-You Note Tip Sheet on the next page.
- Make leaders accountable for informal employee recognition. Track their performance and ask them to report back.
- To get leaders onboard with recognition, share some best practices from other companies found in the case studies on page 10.

# HOW TO WRITE A THANK-YOU NOTE THAT MATTERS

Sincerely expressing our appreciation in writing is becoming somewhat of a dying art. Here are some tips and examples of how to write a sincere, effective thank-you note to a hard-working employee.

- Be timely. Share your thanks as soon as possible after you observe the above and beyond action.
- Be specific. Tell the employee exactly what he or she did to earn your thanks and why it is important to your organization. Avoid any criticism in the note. This is not the time and place for that.
- Be sincere. You don't have to go overboard with your praise. Your note can be short and sweet.
- Be frequent. Sincere thanks never get old. Research shows people in high performance cultures need praise from their supervisor **at least every seven days**, and **praise should be given five times to every one criticism**.

Here are some examples of employee thank you notes.



"Good work, but next time could you make sure you don't forget to turn in your timecard on time?"

What's wrong with this example? First, it's not specific. Second, the "good work" is quickly followed up with a "but." Never include a "but" in your thanks. The employee will not remember the thank you, and will only remember the criticism.



"I really appreciate your hard work. Thanks for all you do."

How could this be better? This note could be written to anyone. It lacks sincerity and authenticity because it is so vague. Specifically outlining the contribution your team member made would take this example to the next level.



"Melanie, Lori stopped me in the hallway to tell me how much she appreciates the support you have provided her team during the reorganization. She said you have gone above and beyond to make yourself available to answer any questions that arise and you have kept her in the loop with the weekly reports you send. Thank you for exemplifying the value we place on teamwork in our organization. I am so glad you are on our team."

Why is this such a great example? It clearly outlines the contribution Melanie has made and the note mentions the organizational value of teamwork.



You can take the power of a thank-you note one step further by sending it directly to your team member's home. It's always fun to get something in the mail and it's even better when you see an unexpected note from your boss. Remember that your employees have a life outside of work. Writing a thank you note expressing your appreciation for your team member to his or her spouse or family is another powerful way to show your appreciation.





## **BENEFITS AND PERKS AS EMPLOYEE RECOGNITION**

Second to compensation, many employee benefits are a main contributor to job satisfaction for employees, especially top performers. Employees with rich benefits packages feel more appreciated by their employers than those who do not. Some of the benefits rated most important according to research from the [Harvard Business Review](#) are:

- Retirement plans
- Supplemental training programs
- Flexible work arrangements
- Paid time off
- Benefits for employees' families

Additionally, there are some relatively inexpensive perks that can help employees feel appreciated, without a large investment from the company. Some ideas include:

- Corporate-sponsored memberships to professional organizations
- Healthy snacks available in the break room
- Unlimited access to beverages such as coffee, water and soda
- A paid day off for the employee's birthday
- Discounts on the products or services you offer
- Monthly or quarterly staff lunches

You may not think these types of benefits and perks are not a big deal, but the research says otherwise:

- According to [ORC International](#), 83% of employees agree that having healthy and fresh snack options (e.g., fruit, vegetables, yogurt, low-calorie snacks) provided in the workplace is a huge perk.
- 91% of organizations offer paid professional memberships according to the [Society for Human Resource Management](#). Sponsoring employees' professional memberships demonstrates your commitment to their personal and professional development.
- 62% of employees would leave a job for better benefits, according to research by [Care.com](#) because they would feel more appreciated.

If you are looking to offer additional benefits to your team, Helpside's HR and Client Success teams can work with you to come up with a benefits strategy that meets your organization's needs and culture.



## RECOGNITION BEST PRACTICES

### Get to Know Your Employees

One way to make sure you understand how each of your employees would like to be recognized is to have them complete a short questionnaire (like the one on the next page) that you can keep in their file. If you see an opportunity for a recognition moment, you can review their answers and plan something they would truly enjoy. You can also add additional notes of things you notice as you work with them.



### Talk About It

Talk about employee performance, gratitude and recognition openly will help your program be successful. Make recognition a part of your organization's language. Verbalize your gratitude and appreciation for the work your team members do.

### Get Everyone Involved

Companies that truly believe in the importance and impact of recognition are those that enable every team member to participate. Recognition should be something that is leader-driven and grows and develops through peer-to-peer recognition.



### Make it Fun

It's impossible to create a one-size-fits-all solution for employee recognition. Each organization should create employee recognition programs (both formal and informal) that fit their employees and unique company culture. See page 11 for some ideas.

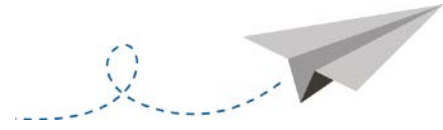
## PERSONALIZED RECOGNITION QUESTIONNAIRE

To get to know each of our team members better, I have asked each of you to complete the following questionnaire. Thank you for sharing some things about yourself with me.

1. Share a time when you felt appreciated at work. What about the experience made it memorable or special?
2. What is your greatest recognition moment (one you either witnessed or received)?
3. What do you enjoy doing in your downtime?
4. What are your hobbies / interests?
5. What are some of your favorite things to read (books, magazines, newspapers, blogs, etc.)?
6. What is the best vacation you've ever taken?
7. What is your favorite:
  - Breakfast on the go:
  - Healthy snack:
  - Candy:
  - Drink:
  - Drive thru:
  - Restaurant:
  - Movie:
  - Holiday:
  - Way to relax:

## EXAMPLES OF EMPLOYEE RECOGNITION DONE RIGHT

At **SkyWest Airlines**, employees are passionate about the work they do -- carrying passengers safely to their destinations, on time and with their bags. To keep with the spirit of the airline, SkyWest leadership created a book of thank-you cards that could be filled out and then folded into paper airplanes to thank employees for the hard work they do to meet the organization's goals. You can sometimes see leaders safely launching a paper airplane at one of their team members as a way to say thanks.



Customer service is an important component of the **Saks Fifth Avenue** culture. To further encourage this spirit of taking care of customers, Saks Fifth Avenue encourages peer-to-peer recognition through the Buddy Gram program. When one team member sees another team member go above and beyond to help a customer or a peer, they issue a Buddy Gram. The Buddy Grams are then shared with the entire team at the beginning of each shift and then displayed in the breakroom.

At **BrainStorm, Inc.**, they take work and fun seriously and recognition is a big part of both. Their Culture Club, an employee-based committee, looks for ways to enhance camaraderie and recognize the hard work of others by sponsoring activities like indoor surfing, foosball tournaments and Double Dutch competitions. Additionally, the organization gives all employees access to corporate ski passes and encourages them to take a ski day.



**Zappos** has a peer-to-peer recognition program where employees can give a \$50 bonus to a co-worker each month. This really emphasizes the value the company places on building a positive team environment. These employees are also nominated for the Zappos HERO Award, where leadership selects one employee to win a \$150 Zappos gift card and a Zappos HERO cape in addition to the \$50 bonus.

**NetApp** has a program called "Catch Someone Doing Something Right." Employees (both peers and managers) who see an employee going above and beyond reach out to the CEO, who personally calls and thanks the employee for their efforts. The company's values emphasize the importance of rewarding and recognizing high-performing employees.



Share your recognition ideas with us by emailing [humanresources@aplusbenefits.com](mailto:humanresources@aplusbenefits.com) or post them to our Facebook page. We love sharing best practices and believe that good ideas lead to better ideas in the small business community.

# EMPLOYEE RECOGNITION SELF-REVIEW

If you feel it's time to review the employee recognition programs at your organization, Ask yourself these questions. Then contact an HR Business Partner at Helpside to discuss next steps.

## Compensation

**When was the last time employee salaries were reviewed?**

*We recommend you evaluate salaries at least once a year due to changes in market pay rates, cost of living and employee performance. That doesn't necessarily mean you will adjust all salaries that often. You may decide to keep salaries the same based on your review.*



**Is your compensation structure merit-based or tenure-based?**

*According to research from the Harvard Business Review, top performers are highly motivated by merit-based pay. They want to know their hard work is being accounted for in their pay.*

## Benefits

**When is the last time you reviewed your benefits offering?**

*We recommend you review your benefit offering once every two-three years, or when you're experiencing a major change such as rapid growth or high turnover.*



**How are you communicating available benefits to new and existing employees?**

*According to MetLife, over half of employees claim they need more help understanding how their benefits work, and how those benefits can help meet their needs.*

**How well does your current benefit offering reflect your company culture?**

*Helpside can help you with this!*

## Professional Development

**What supplemental training programs are you currently offering to employees?**

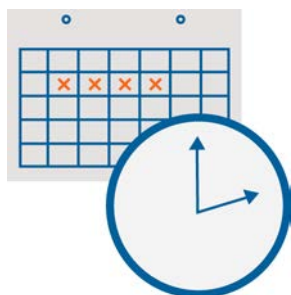
*According to research by CompTIA, almost half of employees say their companies' training programs would make them less likely to leave employment.*



**How are you communicating professional development options to employees?**

*41% of employees said they would need to leave their current employer in order to advance their careers, according to research by Towers Watson.*

## Paid Time Off/Flexible Work Arrangements



**When is the last time you reviewed your paid time off policy?**

*Just like other benefits options, we recommend you review your paid time off policy once every two-three years, or when you are experiencing growth or high turnover.*

**To what positions might you be able to offer a flexible working arrangement?**

*According to research by Virgin Pulse, 44% of employees indicated that a flexible work arrangement is the number one benefit they would love to have at work.*

## Personal Recognition



**How often are your leaders personally thanking employees for their work?**

*According to a survey by Globoforce, 69% of employees say they would work harder if they felt their efforts were better recognized and 78% said being recognized motivates them in their job.*

**Do you have a process for leaders to request that an executive recognize or thank one of their employees?**

Creating a culture that attracts high-performing employees requires a leadership team that is sincere and frequent with employee recognition. Make sure your employees know you appreciate the work they do for you. Make sure your leaders know that you support and expect them to spend some time (and money) on recognizing employees.

If you have further questions, please feel free to reach out to our Human Resources team at 1-800-748-5102 or [humanresources@helpside.com](mailto:humanresources@helpside.com).

The PDF versions documents and forms in the toolkit can be found at:  
[www.helpside.com/recognition-toolkit](http://www.helpside.com/recognition-toolkit)