



13 Lessons Learned

**BEST PRACTICES ON RECOGNITION PROGRAM STRATEGY,
DESIGN, CHANGE MANAGEMENT, AND SUCCESS METRICS**





Building an engaged, energized, and purpose-focused workforce is the key to business success. Workhuman® has partnered with some of the largest, most complex, and highly admired companies in the world over the last two decades. Our data analytics help these customers see how recognition programs impact the metrics they care about – reduced attrition, increased engagement, higher productivity – through hard-dollar ROI.

The following evidence-based best practices are derived from our expertise gained through these successful partnerships. Use them to guide your strategy and equally leverage the power of recognition to drive talent and business outcomes.

STRATEGY:

Create a single, universal recognition program.

A single, universal program connects your entire workforce around common values and business objectives. It rewards equity and ensures compliance with tax laws. It cuts costs by streamlining disparate recognition programs. And it allows you to easily measure your program – and culture – around the world.

Your program must make giving recognition easy, intuitive, and fast for people who want to nominate and congratulate coworkers. It must streamline approvals and include automatic notifications. And it must be universal – with a clear focus and a single brand, no matter how many locations or languages you support.



STRATEGY:

Gain the support of executive champions.

Leaders and managers play a powerful role in setting the overall tone and direction of an organization, including driving a more positive employee experience. To successfully move an organization forward requires a high level of clarity around future direction, coupled with a clear message that employees matter. A [Gallup and Workhuman study](#) found employees who report receiving recognition from managers and leaders at least a few times a month are up to 2x as likely to be thriving as their counterparts.

Because senior leaders should be the architects and caretakers of your corporate values, mission, and objectives, they should lead by example, not be passive witnesses to cultural change. To drive the adoption and effectiveness of your program, senior leaders must champion it behind the scenes and embrace and evangelize it publicly.



You can imagine what it's like for any of our team members to get recognition from the CEO. And when he recognizes members of management, they understand what that feels like and are often inspired to recognize their own team members.



JENNIFER FAULKNER

VP, People & Culture

Baystate Health

Source: [Baystate Health case study](#), Workhuman, 2021

STRATEGY:

Brand your culture.

An effective social recognition program will transform your culture for the better. So own it. Brand it. Make it a recognition program your people identify with emotionally. And make sure it accentuates your company's brand promise and corporate values.

STRATEGY:

Link to core values and objectives.

A recognition program that is not linked to core values is like a ship with no navigation – aimless and off course. It's a wasted opportunity because value-based recognition gets your values off the plaque in the hallway and injects them into the lifeblood of employee behavior.

So how do you bring core values to life in your organization? Tie them to reward activity. That way, you can easily reinforce behavior that aligns with them.



Recognition is always cited in our surveys and by our employees as something that's so critical to our culture and what it means to drive our values forward.



CHRISTINE GRANT

Staff Compensation Analyst
GoTo

Source: [GoTo testimonial video](#),
Workhuman, 2023



Our values are reinforced through our recognition program. If you ask individuals, 'What are you recognized on?', they can name the four values that drive our organization.



MARA NOTARFONZO

VP, Total Rewards
CAA

Source: [CAA testimonial video](#), Workhuman, 2023

STRATEGY:

Aim to invest 1% of payroll in recognition.

Programs that allocate around 1% of payroll expressly for employee recognition micro-bonuses deliver the highest return – in fact, employees who received high-quality recognition were 45% less likely to have turned over two years later.



PROGRAM DESIGN ELEMENTS:

Leave cash off the table.

Everyone enjoys cash, but when it comes to recognition, cash is not king. Cash-based recognition is globally inequitable and misses the business-building opportunity to create a culture rooted in gratitude and appreciation.

Cash-based rewards and bonuses mingle with an employee's paycheck and are used to pay bills or for routine needs such as gas and groceries. While this may fill a need, it doesn't allow for a memorable moment of recognition that a rewards program facilitates. And rewards without a monetary component, such as e-thanks, fare even worse.

Successful programs deliver consistency and meaning by offering millions of local reward options, presented in several languages. This ensures all employees can use their points to select a reward that is relevant, meaningful, and of high value to them – no matter where they are in the world.



PROGRAM DESIGN ELEMENTS:

Encourage active participation at all levels.

Like most things in life, recognition is more fun and more effective when it's not limited to an elite few. Encourage employees to recognize one another's achievements and contributions – regardless of role or department.

By making recognition more social – allowing people to easily see their coworkers' awards and add their own congratulations – you amplify the experience, encourage and reinforce core values, and directly impact business results.



[The social feed] provides us with a centralized place to celebrate our achievements and to connect with others in the organization. We can see other people's recognitions, and we can celebrate our service anniversaries, recognizing the tenure of our employees.



DAWN HEIM

Senior Manager, Compensation & HR Operations
Tennant Company

Source: [Tennant Company case study](#), Workhuman, 2024

PROGRAM DESIGN ELEMENTS:

Level the recognition field – all give, all receive.

A common and costly mistake some companies make in their approach to recognition is constraining it within hierarchical and departmental silos. If managers are the only distributors of recognition – permitted to recognize only their direct reports – companies miss huge opportunities to measure and manage their culture.

A great recognition program empowers and inspires all employees to recognize peers, managers, and subordinates – across departments and geographies – wherever appreciation is deserved. Encouraging employees to recognize anyone in the organization gives them ownership in the company culture, ultimately fostering a true culture of recognition.

PROGRAM DESIGN ELEMENTS:

Give timely, ongoing recognition.

Stale recognition is ineffective recognition. Recognition shouldn't be a once-a-year – or even a once-a-quarter – activity. To positively affect behavior and reinforce values, workers need consistent, ongoing feedback.

A [Gallup and Workhuman report](#) found that more than 40% of employees view the right amount of recognition as a few times a week or more. Employees who do not feel they receive the right amount of recognition for the work they do are 8x as likely to be actively disengaged, 3x as likely to say they are looking for a new job, and 62% more likely to be struggling in their life overall.

Overall, 80% of employees who strongly agree their recognition needs are fulfilled are engaged in their jobs, compared to 21% of employees who do not strongly agree.

PROGRAM DESIGN ELEMENTS:

Provide proportionate, local awards for all regions.

There are many horror stories about global merchandise awards backfiring – choices made in one country clashing with another country's local customs. That's because awards in different countries can differ dramatically in value – or be so locally irrelevant that they have no value at all.

Rewards must be local, proportionate, and appropriate. That means an award should have equal value all around the world, adjusted for local standards of living. It should also be relevant – no matter where in the world a receiving employee resides.

Workhuman's proprietary Standard of Living Index (SOLI) is based on local consumer purchasing power data gathered by Mercer two times per year. It's built directly into the platform to automatically adjust award values based on each recipient's location. It has the capability to make the necessary changes based on specific per-country needs, creating an equitable program for all global employees.

CHANGE MANAGEMENT:

Communicate with and train your people.

You can create the greatest employee recognition program in the world, but if people don't know about it, it won't drive business outcomes. That's why you need to build a solid change management plan to communicate your recognition program and its philosophy – before, during, and after launch.

A full-scale, targeted campaign utilizing multiple tactics and channels will build prelaunch anticipation and inspire action at launch. This is an employee-facing program in which people will benefit from recognition but should also be empowered to recognize others. That's a major shift in mindset for a lot of organizations, so it's critical to inspire people to get involved.



Communication over and over and over and over and over is so important with these sorts of tools. You can't roll it out and think you're done. ... We communicate a lot, and people call me now and go, 'You were right. I went in and I joined, and somebody had already recognized me for work I've been doing.



LESLIE SCHALL

Director of Employee Experience, Engagement, and Purpose
Michelin

Source: Customer breakout session, Workhuman® Live, 2024

SUCCESS METRICS:

Monitor and measure.

HR's people strategy is often tied to important business metrics, like the retention rate of critical employees, strength of company values, employee happiness, and even number of safety award nominations. A measurable social recognition program that can shed light on these metrics is an invaluable tool for HR. When you have a unified recognition program built upon your corporate values, you can easily monitor and measure all its facets.

You can quickly see:

- Where recognition is happening
- What you're spending on a weekly basis
- Which departments are the most and least active
- What values are being recognized most often, by geographic areas
- Who among your people are unsung heroes or future leaders

Be sure your social recognition program enables you to easily keep tabs on the metrics that matter most to your organization.



SUCCESS METRICS:

Leverage your crowdsourced data.

Recognition is an essential motivational tool. Great managers and leaders understand that.

But here's what many managers haven't figured out: Social recognition collects a treasure trove of powerful information and data about your talent and your culture.

This crowdsourced information about your organization – lifelogging – can be used to gain deep insights into which values are thriving and which employees are excelling.

Be sure your recognition program is not letting that data slip through your fingers. Offer it to managers to enhance employee growth and development and use it to better measure and manage your corporate culture.

**Learn more about how working with us
can help bring these lessons to life.**

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