

Recognizing small things has big impact

Critical distinction between rewards and recognition

Why do we, as HR professionals, equate rewards with recognition? Confusing the two can have a negative impact on employee engagement. Knowing the difference can have a significant, company-wide influence on employee morale.

What exactly is a reward?

Rewards are tangible. Like salaries, they are a form of payment — you get in return what you give. Examples include:

- Come in to work consistently and on time, do a good job according to a set of prescribed criteria and be paid an appropriate salary.
- Do an outstanding job and company policy may result in you receiving a bonus.
- Do a special project and company policy might allow you one day off.
- Contribute in a unique way and your manager might have leeway to pay for you to enjoy a gourmet dinner.

Rewards must be supported by structure, clear criteria and budget. Corporate-wide policies need to be in place.

Employees who receive these rewards could feel they have been recognized, but the more likely result is they feel they have been fairly paid. Rewards can be quickly devalued and become viewed as entitlement. Once that happens, their value as recognition dissolves.

What exactly is recognition?

Recognition is intangible. To be recognized is to be noticed, meaningfully respected, appreciated and acknowledged. Unlike rewards, institutionalizing recognition erodes its impact and puts its authenticity in question.

Here's an example: You are told to meet an unreasonable deadline so you stay up all night and get the job done. Your manager immediately acknowledges receipt of your work, thanks you for pulling off a miracle, processes your material the same day (because that is what accounted for the unreasonable deadline in the first place), follows up immediately with feedback and tells you the next steps. You feel appreciated and validated. This is recognition.

In other words, real recognition is about genuine responses in the moment. It's successful because it:

- happens in the moment
- is authentic
- expresses sincere gratitude and appreciation
- makes the recognized employee feel valued



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with a sense of accomplishment and satisfaction.

And, by the way, it doesn't cost a thing.

A culture of recognition does not need to involve rewards. Unlike a bonus or day off, a meaningful "thank you" never becomes an entitlement. Being noticed for a job well done makes you feel special. When people acknowledge your contribution, you feel proud and motivated. That is what recognition is all about.

In comparison, a tangible reward can devalue your contribution and even be perceived as demeaning rather than affirming.

What kind of recognition do employees want?

To instill a recognition culture into the company, lose the rewards and focus on recognition. This is what we have been hearing from employees consistently in numerous workshops, surveys and focus groups in a variety of companies and industries over the past 10 years. Here is how they suggest you develop a recognition culture, in priority order:

Be geographically equitable: Treat all locations and divisions the same. This point was raised equally from regional and head office staff. Often head office staff receive all the attention while regional offices get short shrift. It might cost more, but run meetings occasionally in the regions on rotation, put head office staff on teleconference, or have them tap into the meeting via a webcast.

Get senior management involved: Employees care a lot about being recognized by their boss's boss. Being noticed from a higher-up has tremendous impact. Establish a protocol to alert senior managers of who should be recognized and then ensure the senior manager's recognition is genuine and meaningful.

Make it personal and low-tech: Write personal, hand-written thank-you cards. Ensure each card has personal meaning for the person receiving it. If the employee is a dog-lover, then buy a card with a picture of a golden retriever puppy. This underlines to the employee the manager took a personal interest in the card and took the care to demonstrate it.

Make recognition the number one priority at meetings: Recognition should not be an afterthought that is covered only if there is time after other business. It should be the first thing on the agenda at team and department meetings.

Make it fun: Recognition doesn't always have to be serious. It's okay to have fun with it. Buy some rubber chickens and toss it to a recognized employee at a meeting. The chicken can become a playful badge of honour.

Find out what's important: As a manager, ask each of your team members in an informal survey:

- When do you feel you should be recognized?
- How can I recognize you in a personally meaningful way?

Follow through with the responses. Take each team member out to lunch to better understand, and manage, expectations. The time and effort spent on this process itself is meaningful recognition.

Recognize the familiar: It's easy to recognize special projects, unique accomplishments and unforeseen events. Rarely is recognition given to someone who stays the course, delivers solid and dependable service day-in and day-out. Consistent, reliable performance should not be taken for granted. Recognize it.

Recognize non-work dedication: Volunteering for a United Way campaign, developing an employee quiz for the annual Christmas party and organizing a baby shower are not perks. They take time, energy and sacrifice. Recognizing these activities goes a long way to encouraging employees to continue doing them.

All of these ideas are from employees. Notice none of them are about money, gifts, tokens or even time off. All of them, without exception, are about behaviour.

Sure, employees want to be recognized for the big things. But the biggest impact over time comes from recognizing the little things. The best way to do that is to demonstrate it in the moment, make it personal and keep it real.

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