

## Designing an Effective Reward and Recognition Program

*“Motivation is the art of getting people to do what you want them to do because they want to do it.”  
~ Dwight D. Eisenhower*

Designing an effective reward and recognition program can be a tricky endeavor—and if done in haste it can create unintended consequences that can actually de-motivate employees and sabotage a program. Making the task even tougher is keeping the complexity of human behavior and feelings in mind to create a program that works.

However, designing an effective Reward and Recognition program is not only imperative, it is possible. Motivational scientist Victor Vroom created the Expectancy Theory, which integrates meeting employee needs, ensuring equity in the work place, reinforcing desired behaviors and setting specific, challenging and acceptable goals. He suggests:

- Make a clear connection between performance and outcome.
- Develop flexible rewards systems that provide a variety of potentially attractive outcomes.
- Determine what rewards the employee values.
- Ensure that employees receive appropriate training and have the ability to perform the job successfully.

Vroom also reminds us that everyone does not value outcomes the same way. And some positions may need to have their own recognition programs. For example, a sales person may respond to a system that is based on hitting or exceeding sales goals. However, to motivate members from other departments, such as call center employees who have to solve customer issues, rewards may need to be responsive to the company’s profitability and overall success. Also keep in mind that if you set goals that are unreasonable or are too difficult, you will instill little or no motivation.

### Six Keys to an Effective Rewards and Recognition Program

Follow these steps when you implement your rewards and recognition program—and the success of your program and your employees will be ensured.

- **Gather Commitment from Management**—All of your managers and executives should understand the program’s ins-and-outs. This includes eligibility, management’s roles and responsibilities, types of behaviors wanted, as well as results and contributions that warrant a reward.

- Furthermore, train managers and executives to role model and talk about desired behaviors. This way they are able to effectively spot and link desired behaviors to rewards and recognition during celebrations and distribution.
- **Link the Reward to Bottom Line Results**—Your rewards and recognition program should make sense from two perspectives: from the organization's overall goals and strategies and from the needs and expectations of the workforce. Ultimately you want your rewards and recognition program to be connected to the employees' and organization's day-to-day reality.
  - **Connect the Reward's Value to the Employee**—Your employees need to value and feel the reward is meaningful. They need to be excited about it, so that when they sacrifice or go above and beyond the call of duty, it will be worthwhile to them. They need to be proud enough to receive at least some of the awards that perhaps they will even talk about it with their families and friends for years to come.
  - **Distribute Awards Fairly and Equitably**—Employees need to believe that the program is fair. When developing a rewards and recognition program, it is important to establish criteria and standards to ensure organizational justice within the program. This is important for many reasons, but mostly because you want your employees to trust the program and to see that it is fair to all employees who participate. Of course, there are also legal reasons to ensure that your organization and/or department is not practicing discriminatory practices. The less subjective the program is, the better.
  - **Make it Easy to Follow**—KISS (keep it simple, stupid) could not be more true when it comes to developing a rewards and recognition program. If you have to have multiple spreadsheets and diagrams to explain your program, you have gone too far. Remember, managers and employees have to understand it easily.
  - **Evaluate Continuously**—Your rewards and recognition program should be monitored so that it stays relevant to both the employees and the company.

### Potential Pitfalls and De-Motivating Traps

Be aware of the following, which could disrupt the program:

- Non-rewarded employees may feel resentful or may sabotage the program because they don't understand the criteria or because they may believe their contributions are just as significant as those who are rewarded.
- Employees who vote for other employees typically turn the rewards program into a popularity contest—unless you establish solid criteria for assessment as well as establish a way to motivate the employee voting population.
- Starting a program and then stopping it because of turbulent business or lack of funds or time is sure to backfire. Keep in mind that recognition is needed even *more* during hard times—it helps fuel innovation, retention and productivity.