TRENDS IN EMPLOYEE RECOGNITION

A People Matters & Rewardian Research

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Trends in Employee Recognition
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Contents

Foreword

Today's workforce is more articulate about their choices and needs. Their preferences spread across everything — competitive compensation, flexible work culture, career enhancement options, instant gratification of their needs, and so on. Organizations are trying their best to create robust and well-defined practices for tapping into the intrinsic motivations of their talent pools. The philosophies of reward and recognition programs are further shaping-up to suit and adapt to the new workforce of today. The world is changing, and it's time for the recognition programs to catch up with the dynamism of engaging minds and the hearts of employees together.

Continuing with our endeavor to provide actionable research to our community, People Matters in partnership with Rewardian studied how organizations are designing their Reward and Recognition (R&R) initiatives in this volatile and complex age. This involved understanding the R&R objectives in the context of strategic positioning, how organizations are using technology to bring in agility in the value chain, and the trends that will prevail in the remaining months of the year 2018.

The findings of the study revealed that the most important trend seen in the R&R space is of aligning recognition philosophies with business vision and goals, which in turn promotes the link between core values of an organization and the positive behaviors of its talent pool. With constraint of budgets, technology adoption has taken up a slower pace in the current scenario. This needs to be thought-through by the top leaders by giving adequate buy-in to use technology-based platforms that integrate with effective and transparent R&R programs.

In view of this, the report also features expert perspectives and best practices in the domain by HR leaders of leading organizations across sectors and industries. We are grateful to all the participants who took the survey along with the individuals and organizations who contributed their time and expertise in assisting us with this.

Ester Martinez
CEO & Editor-in-Chief
People Matters

Dr. Andrew Mitchell
CEO
Rewardian

Introduction

The increase in knowledge-based specialized workforce, big data explosion, declining communications costs and high technology penetration have transformed business processes, corporate ecosystems, and approaches to innovation. With this dynamism in place, the complexities related to motivating internal talent pool have also magnified. The power of reward and recognition has thus become an imperative for making a difference to talent in every organization.

Recognition is no longer limited to a top-down approach. Companies now are leveraging technology-enabled platforms to include recognition at every level — peer-to-peer, senior-to-junior and junior-to-senior. A right framework and efficient implementation of Reward and Recognition (R&R) Program often triggers positive behaviors amongst employees. And organizations are employing various innovative, broad-based recognition programs to encourage achievement, boost morale, attract and retain talent, and create a culture aligned with business vision and value system.

However, one of the biggest gaps in most of the recognition programs relates to addressing the needs of the knowledge workers of today. Recognition means the most when it happens immediately specially when it comes to the diverse workforce of today. The right technology helps in designing and executing reward and recognition solutions that provide value, reliability and security. The future of recognition is less focused on physical rewards. In fact, it is driven by moments of micro-recognition promoted by everyone and not just leaders.

The **People Matters and Rewardian** study was designed and conducted with the objective to understand how leading companies in India approach recognition programs. The survey saw the participation of HR professionals from 180 companies across industries and sectors.

The study has focused on three aspects of employee recognition programs:

1) Strategic Positioning: The placement of recognition programs in the value chain – their alignment with business vision and goals.
2) Technology Imperatives: Understanding the role that technology plays in the R&R philosophy.
3) Impact Analysis: Measurement of recognition programs and their perceived impact at different levels.

The study showcases that recognition programs are an integral part of an organization's strategy that should reflect the company's culture, and also integrate well with the business goals and values. The success of any recognition program largely depends on the budget and leadership buy-in. And in 2018, technology-based platforms will act as an enabler for integrating the R&R philosophy for better impact measurement, transparent communication, and a more efficient process.
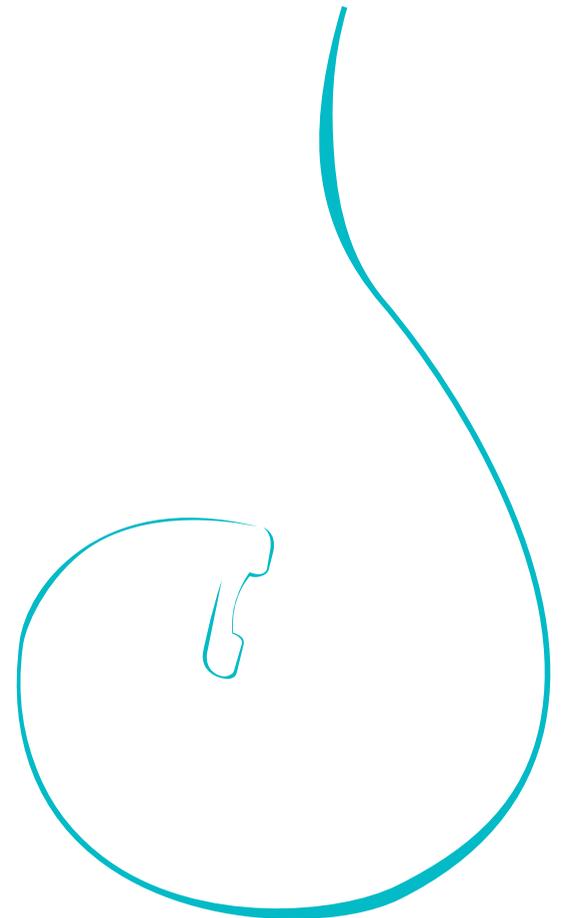
Key Findings

1

While organizations have started moving towards instant recognition practices to impact employee motivation, many traditional reward methodologies are still practiced due to budget constraints and reduced complexity

The primary objective of improving the morale and motivation of employees still remains a top priority while nurturing innovation through R&R (46.7 percent) which is equally crucial, ranks low in the ladder of program goals.

The traditional annual frequency of rewards and recognition is gradually moving to a more frequent cycle. Around 80 percent of organizations follow a real-time cycle as 'recognition' to most now means instant gratification and a positive behavior can be triggered when employees are motivated frequently.

As per Arvind Usretay, Director at Willis Towers Watson India, "Recognition must be offered quickly; the longer it takes for employers to recognize the work of employees, the actions are likely to be perceived as less genuine and authentic."

The study also shows that a majority of organizations are using long established and traditional methods when it comes to rewarding their employees. Topping the charts is providing certificates (22.8 percent), which is the most preferred reward choice. The other methods include company merchandise, food vouchers, redeemable points, and travel coupons.

a) Objective of R&R Programs

Improving employees' morale/motivation	79%
Encouraging employees to take initiatives	68%
Enhancing effectiveness and efficiency	64%
Aligning behavior with organization's values	57%
Retain key talent and manage attrition	54%
Scaling employee engagement	52%
Nurturing innovation and creativity	47%
Encouraging leadership	37%

b) How often does your organization recognize employees?

33%	26%	21%	15%	5%
No specific timelines (Ongoing)	Quarterly	Monthly	Annually	Semi-Annually

c) Top 5 Reward choices used by organization

Certificates · Gift Vouchers · Cash · Gift Items · Plaques

d) Top 5 preferred Recognition programs

> Annual Performance > Length of Service > Spot Recognition > Periodic Performance (Employee of the month/quarter) > Employee Referral
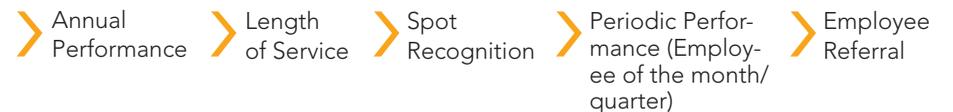
The percentages have been rounded off to the nearest integer

2

Getting leadership buy-in and cost constraints emerge as the top 2 challenges in executing impactful R&R programs

One-third of organizations believe that leadership buy-in and budget constraints are the key challenges that are faced while planning and executing successful R&R Programs. 14.8 percent of respondents believe communication as another bottleneck in this. Organizations must provide employees with relevant information about the rationale for such programs and maintain more transparency for building a better rewarding culture.

"In the midst of fierce competition, to acquire the best talent, every employer needs to create a fair, transparent, and well-managed reward and recognition program," states Arvind Usretay.

Most organizations look at their R&R budget as a percentage of total staff cost. It depends on how much an organization is willing to spend for this category as well as on various elements covered under their R&R programs. Though it is seen that 76 percent of organizations are proactive in allocating a budget, surprisingly, three-fourth of organizations allocate less than 1 percent of payroll budget for reward and recognition programs. Thus, with such small and frozen budgets, cost continues to be a cause of concern with leaders formulating R&R strategies year-on-year.

a) Top Challenges

16% Getting Leadership Buy-In	**16%** Budget Allocation	**15%** Communication	**14%** Inconsistent (ad-hoc)
12% Not impacting employees' behavior	**11%** Lack of recognition platform	**10%** Not personalized	**6%** Not aligned with business vision

b) Companies proactively allocating budgets for R&R programs

76% Yes   **24%** No

c) Percentage of Payroll Budget allocation

0.01% - 0.25%	**34%**
0.26% - 0.5%	**12%**
0.51 - 0.75%	**6%**
0.76% - 1%	**18%**
1% - 2%	**21%**
>2%	**9%**
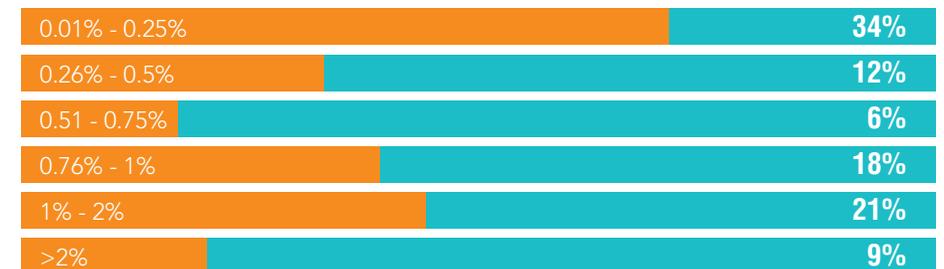
The percentages have been rounded off to the nearest integer

3

Participation by senior leaders is critical to enhancing the impact of recognition programs, but leadership still views recognition as a protocol/tactical support

The philosophy of R&R is ever evolving but remains intrinsic to the vision and values of the organization. As per Ashish Mittal, Head - Total Rewards & Performance Management, Aviva India, "Employee recognition is a philosophy. We decided that recognition has to center around our values. Our recognition programs, whether they are quarterly company-wide programs or Annual CEO program, are all centered on values that encourage employees to act in line with our values."

Perhaps, there is a need to enhance this alignment as the survey result shows that mere 10 percent respondents feel that R&R programs are highly aligned with the business goals. Among the surveyed, over 50 percent respondents stated that their recognition programs are not adequately aligned with the business vision and value system.

The study also reveals that 19.5 percent of respondents feel that active participation by senior leaders is an imperative, and for a program to truly be successful, leaders need to look at recognition as an investment and not an expense.

As per Ayan Mazumdar, Director - Rewards (Emerging Markets, Global Product, Technology and Operations) at Pearson, "Creating a successful rewards and recognition ecosystem is not about developing an R&R program but creating business partners who can work as reward partners."

Janesh Kumar-CHRO, Airtel Payments states that, "In my career, I have seen R&R creating a huge positive impact on employee motivation and engagement instantly."

The need of enhanced alignment of recognition programs to business goals clearly connects with the perception of the leadership. While on one hand, 43.3 percent leaders believe that R&R is central to organization strategy; alternatively, 31.7 percent managers perceive it to be just a protocol that has to be carried out in the organization. Hence, the perceived impact of the effectiveness of such programs needs to be aligned and communicated effectively for all levels at periodic intervals.

a) R&R Program's alignment with business goals

Rating	Percentage
Highly aligned	10%
Mostly Aligned	35%
Moderately aligned	42%
Somewhat aligned	9%
Not aligned	4%

b) Determinants of effective recognition programs

	Percentage
Active participation by senior leaders	19%
Improved Communication	14%
Increased focus on user experience of employees	13%
A bigger budget allocation	12%
Need for a variety of new programs	12%
Technology integration (online, mobile, Gamification, etc.)	11%
Recognition platform to digitize	11%
Eliminate programs that are not creating an impact	8%

c) Perception of Rewards & Recognition - Leaders vs. Managers

Parameter	Leadership	Manager
Recognition is central to organization strategy	43%	22%
Recognition is a protocol that has to be run	9%	32%
Recognition is tactical support to the business	22%	30%
Recognition is not the focus area	20%	13%
None of these	4%	3%

*The percentages have been rounded off to the nearest integer*

4

Technology involvement needs to be enhanced for designing best-in-class recognition programs and assessing the impact

Transparency and timely recognition are the two key elements of the best-in-class recognition programs. Digitization, cognification and other technology innovations have given a rise to platform-based products that fit in the culture, brand and core values creating a far better 360° view of recognition programs with richer and better insights. It is seen that 57 percent of organizations have started using technology and platform-based strategies viz-a-viz 43 percent organizations that still use manual recognition interventions over platform-based programs.

On the other hand, emails and town-halls are still the most prominent communication channels used by a majority of organizations. A substantial percentage of organizations use emails (32.1percent) followed by town-halls (24.6 percent) as a communication medium when compared to a mere 5.1 percent who use Mobile Apps. There is a significant need of using technology as an enabler to design effective R&R programs for the future workforce.

The study also reveals that due to a lack of integrated technology platforms, there is no centralized methodology of assessing the effectiveness of the recognition programs. However, such programs need to be evaluated and modified from time-to-time to remain effective to meet the future needs of the new talent era. Currently, 31 percent of organizations use employee feedback as the assessment tool to measure its ROI; leadership and manager feedback accounts to 10.6 percent each for assessing the impact of the process; and surprisingly, around 13.3 percent of survey respondents do not undertake any impact analysis measurement.

a) Media used for managing Recognition Programs

43% ▶▶	Manually
30% ▶▶	In-house recognition platform
17% ▶▶	Company Intranet
10% ▶▶	Third party recognition platform
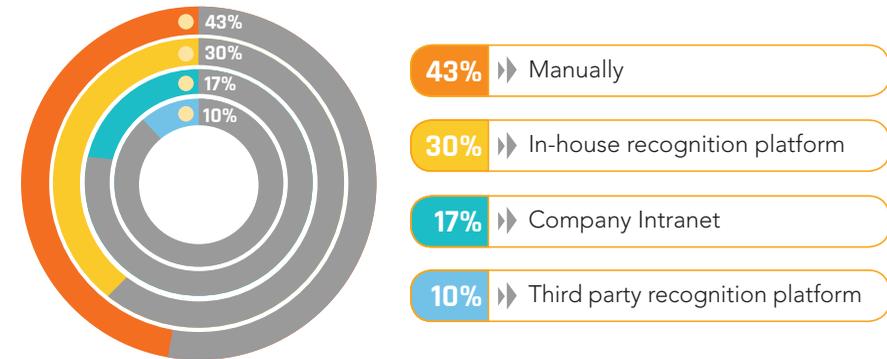
b) Communication Channels used for recognition programs

@	🏛	🌐	👥	📱	✉	✈
Email **32%**	Town-hall **26%**	Intranet **17%**	One-on-One's with Managers **15%**	Mobile App **5%**	SMS **2%**	Others **3%**
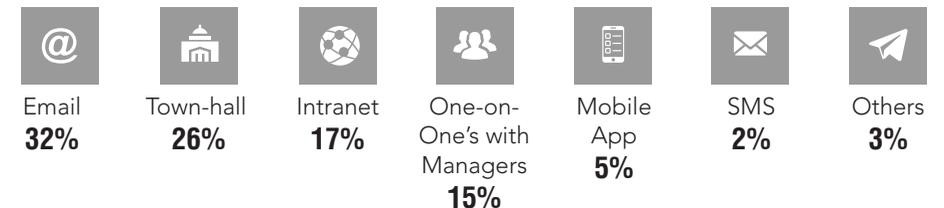
c) Channels used for assessing impact of R&R programs

31%	Employee Feedback
19%	Company Wide Surveys
16%	Measuring Business Impact (Assessing attrition rates, employee productivity, etc.)
13%	No, we do not assess effectiveness of the recognition program
11%	Leadership Feedback
10%	Managers Feedback
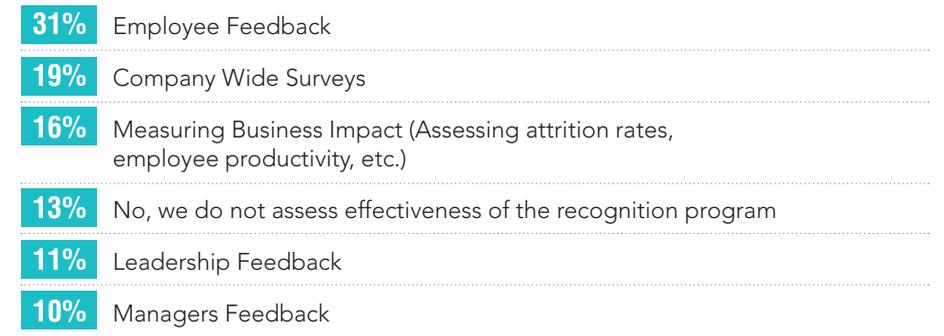
The percentages have been rounded off to the nearest integer

5

In 2018, R&R initiatives will be focused on aligning employee behaviors with core business values & building a culture of recognition

The focus in the year 2018 will be on aligning employee behaviors with core business values with respect to recognition programs. By linking recognition and rewards to the right behaviors, teams and individuals will increasingly tend to perform better. Over half of the organizations surveyed plan to integrate recognition programs with organization's value and build a culture of recognition in the ecosystem. Other focus areas in the year 2018 will primarily include encouraging innovation, enhancing engagements and mapping individual performances with business goals as a part of the R&R strategy. All these factors represent an opportunity for HR professionals to develop innovative interventions under the purview of R&R.

Focus of Reward Programs in 2018

25%
Aligning employee behaviors with organization's values

25%
Building a culture of recognition

9%
Improving alignment of individual performances to business units/Organizational goals

9%
Employee Engagement

8%
Encouragement of Innovation

6%
Attracting talent

5%
Improving retention

5%
Scaling employees' productivity

4%
Increasing budgets

4%
Reinforcing company values

The percentages have been rounded off to the nearest integer

Conclusion

As businesses continue to get disrupted and the demands of the workforce continue to evolve, it is critical for organizations to leverage an agile recognition mechanism to keep the workforce aligned to the business objectives. This study provides key insights to the current landscape of recognition programs in the industry and what organizations need to focus on to design more impactful recognition philosophy.

While leadership buy-in emerges as the top challenge and a critical success factor for recognition programs, it is essential for organizations to enhance the alignment of these programs with the business vision. Gradually, technology-enabled reward and recognition schemes will pave the way for an integrated system. This will help human resources function to create more impactful programs that can be measured accurately. Budgets still are an area of concern as budgetary pressures can cause organizations to continue using manual self-service approaches making it difficult to stand out in such high volatile competitive market.

Among a multitude of factors that support the success of R&R programs, there are few simpler steps that can be looked at:
- Increase the leadership buy-in with alignment of employee behaviors with business goals
- Effective measurement and sufficient budget allocation
- Agile, simpler, customized and personalized R&R programs
- Right blend of periodicity of programs with transparency in communication
- Using technology as an enabler for designing effective R&R programs

Reward and Recognition (like everything else) need to be dynamic and personalized. While preferences may vary, recognition is most memorable when it involves managers, high-level leaders, and CEOs. Employee recognition has the power to create a differentiated work environment that can drive superior performance. With careful implementation, employee recognition can be a game-changer for organizations, especially in these times of change and disruption.

Appendix

Respondents Profile

The Rewardian - People Matters Survey on "Trends in Employee Recognition" saw the participation of 180 companies in total.

Industry Type

%	Industry
19%	IT & ITES
14%	Services
11%	Manufacturing & Heavy Industries
7%	Banking, Financial Services & Insurance (BFSI)
7%	Healthcare & Pharmaceuticals
4%	Automotive & Ancillaries
3%	Construction & Mining/Oil & Gas/Metals
3%	Telecommunications
3%	Wholesale/Retail Trade
1%	Power & Utilities
1%	Insurance
27%	Others

Company Size

<500	500-1,000	1,001-5,000	5,001-10,000	10,001-20,000	Greater than 20,000
37%	13%	25%	9%	5%	11%
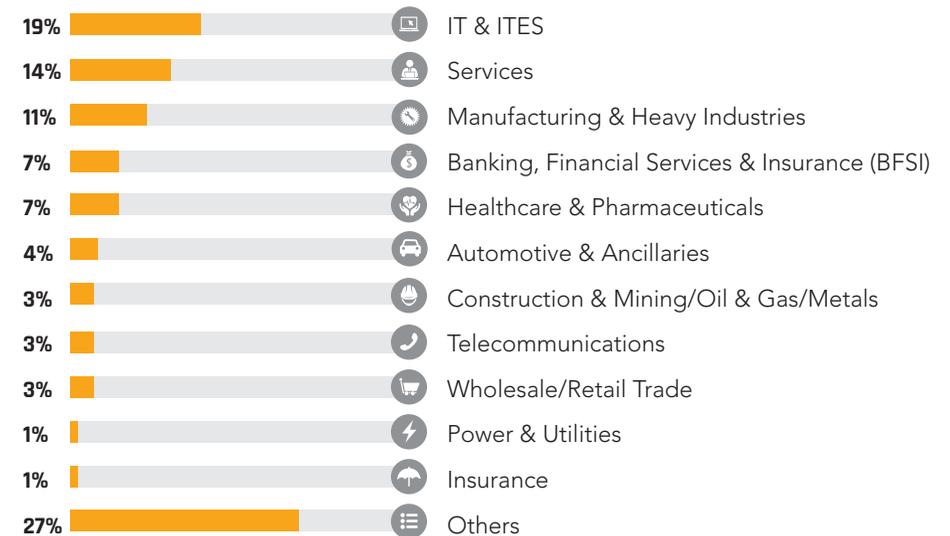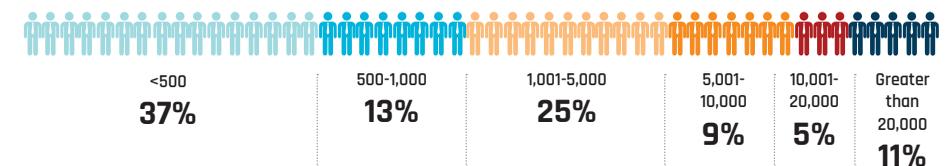
The percentages have been rounded off to the nearest integer

EXPERT VIEWS

AKSHAY WADHWA
Head – Total Rewards, India and
Emerging Markets, Sun Pharma

Leadership role modeling fosters a recognition culture

Recognition, in conjunction with rewards, and experiences, is emerging as an excellent way to tackle employee disengagement and attrition

In our organization, recognition is a key strategic priority, and we are currently working to move to the next level of it being a part of everyday management philosophy and action. We are progressing toward a journey of building a "culture of recognition". Research tells us that there is a need to move beyond rewarding people with money only. If there is one thing people want more than money – it is recognition for a job well done. While the impact of an annual pay raise on motivation generally doesn't sustain beyond 3- 4 months, the impact of regular and immediate recognition sustains heightened motivation for a longer period. Hence, one should look at "Monetary rewards" and "Recognition" as complementary forces in driving engagement and motivation.

One aspect that I have personally observed is that often, even with well laid out recognition programs and enablers in place, people are simply hesitant to recognize others. This may be due to any of a variety of reasons like - they may feel shy, they may think it will create unnecessary expectations, they may feel it is probably not an expected thing to do etc. Manager and employee sensitization becomes critical in overcoming these barriers. When coupled with role-modeling by leaders in recognizing others, these drive a culture of recognition beautifully in an organization.

Establishing a culture of recognition is no small task, and focusing on a few of the things listed below is likely to help in the journey:

- **Understand and clarify the 'why':**
Know why you want to implement recognition as an organizational practice. This is important because it will enable people to understand the outcomes or behaviors that they should recognize in others and also will get recognized for. And thus, it will allow managers to recognize employees fairly and equitably.

- **Leadership-led culture**
Leaders should make genuine and meaningful recognition a part of their management philosophy to emerge as role-models and encourage others also to recognize colleagues. When employees see leaders recognizing others openly and frequently, that makes the entire idea of recognition much

> While the impact of an annual pay raise on motivation generally doesn't sustain beyond 3- 4 months, the impact of regular and immediate recognition sustains heightened motivation for a longer period. Hence, one should look at "Monetary rewards" and "Recognition" as complementary forces in driving engagement and motivation

more acceptable and embedded in an organization. It is also important for leaders to ensure the authenticity of the recognition and not dilute the importance and meaning by recognizing without direct correlation to outcomes and role modeling the desired behaviors

- **Formal/Informal, Spot/Periodic, Monetary/Experiences, Outcomes/behaviors led Recognition – customize for your context!**
Ensure your recognition strategy is linked to the outcomes you wish to drive and provides flexibility to recognize varying degrees of employee contributions. Go beyond money, and consider personal gifts, tickets to events, or experiences that show employees their reward is personalized to them. In fact, handwritten notes, or using the intranet or internal social media to recognize individuals helps in sustaining a culture of recognition.

(The views, thoughts, and opinions expressed in this article belong solely to the author, and not necessarily to Sun Pharma.)

ARVIND USRETAY
Director, Willis Towers
Watson India

Recognition creates a differentiated work environment

Employee recognition has moved from being a tactical activity to a philosophy that can create a differentiated work environment that drives superior performance

R&R programs have evolved considerably in the past few years. Employers are acknowledging the impact that effective R&R programs can have on employee morale and engagement. They are using Total Rewards framework that includes R&R beyond the basic compensation and benefits proposition. We find that R&R programs are rapidly going digital in accordance with the demands of the modern-day employees, and are being carefully crafted keeping in mind the various demographic and cultural employee segments across sectors.

Employee recognition has moved from being a tactical activity to a philosophy that has the power to create a differentiated work environment that drives superior performance and proves to be a strong retention tool. There is no single program that might work for all employers, but there are a few key elements of genuine recognition that can create impactful recognition experiences. Appreciation of employees must be a seamless and easy experience. Some steps that employers may follow can be:

The larger purpose: R&R programs must help employees to see the impact their work creates in the organization, function or team. This helps them to contribute and deliver high performance consistently.

Relevance: R&R is most impactful when it is connected to accomplishment of measurable objectives and not based on subjective opinions.

Timing: Timing of recognition is key. Recognition must be offered quickly; the longer it takes for employers to recognize the work of employees, the actions are less likely to be perceived as genuine or authentic.

Personalize: Recognition, in order to be impactful, must be specific, accurate and personal. It must call out specific accomplishments rather than generic actions.

Communication: Recognition needs to be communicated well and through multiple channels and as often as possible. This helps in ensuring the messages are well circulated and received by all.

Variety: There are a number of ways in which we can recognize exceptional work of colleagues. This goes well beyond monetary benefits — perks, appreciation letters, mementos, certificates, experiences etc.

Recognition must be offered quickly; the longer it takes for employers to recognize the work of employees, the actions are less likely to be perceived as genuine or authentic

Today, traditional and formal modes of recognition are being replaced with contemporary, peer-to-peer, social recognition. However, most effective R&R Programs have some common elements such as business strategy-related themes, well-stated objectives, obvious linkages to other reward programs/total reward strategy, clear and consistent guidelines for eligibility, selection of award recipients and distribution of awards, meaningful awards (size and/or nature), employee input/involvement in award program, well-conceived communication strategy, public acknowledgement of winners (celebration of success), and continuous evaluation and renewal.

The effectiveness of R&R also depends on the kind of impact it creates on the employees. It is an undeniable fact that everyone loves the idea of receiving rewards and recognition which also provides them a sense of belonging. In the midst of fierce competition, to acquire the best talent, every employer needs to create a fair, transparent, and well-managed reward and recognition program. In order to create a culture of recognition, one has to keep in mind of the following things:

- R&R programs need to be closely aligned to the business objective and must draw out the discretionary efforts of the employee
- They should carefully consider the behaviors that need to be driven
- High impact incentive programs differentiate bonus payouts of star performers from median performers
- Successful R&R programs are often backed by carefully thought-out and executed communication plans to ensure participants understand how the plans work
- R&R plans must be periodically reviewed to check their relevancy and applicability

ASHISH MITTAL
Head - Total Rewards &
Performance Management,
Aviva India

Employee Recognition programs: A product of desirable behaviors

Rewards & Recognition are a product of desirable behaviors, and when the right behaviors are recognized, teams and individuals perform better

For Aviva, employee recognition is a philosophy. There are a lot of different views regarding making recognition a part of the culture. Creating a culture of recognition is an aim that is not easy to achieve. At Aviva, the transformation to a 'culture of recognition' started when we decided that recognition has to center around our values. Our recognition programs, whether the quarterly company-wide programs or the annual CEO program, are all centered on values that encourage employees to act in line with our values.

Linking our quarterly and annual R&R programs to the business values has helped us in generating greater participation of the sales force in recognition programs, which in turn complements our efforts to drive behaviors in line with our values, especially among employees who are our first line of contact with customers. We have special initiatives to recognize and reward our employees like our program for middle-management called the 'CEO Club', aimed at creating a leadership pipeline for the organization by identifying and grooming High Potential talent. Every nominated individual, irrespective of whether they make it to the 'CEO Club' or not benefits from Hogan's Hi-Potential Talent Assessment, Group Debrief, and Individual Coaching Sessions. This program in itself has become a Gold Standard for recognition at Aviva. Another effort towards creating a culture of recognition is 'Thank You' days where Thank You cards are made available for employees to share with colleagues. We recognize regular milestones like three years, five years, ten and 15 years. We have recently instituted a change in our leave policy wherein leave eligibility increases with tenure. This has received a lot of appreciation from employees across levels and is probably unique to the industry.

Rewards & Recognition at Aviva are a product of desirable behaviors. When the right behaviors like customer centricity, innovative thinking, and simplicity are recognized, we see that teams and individuals perform better. R&R has always played a key role in motivation and engagement if done in the right way. However, when R&R programs fail, it mostly happens due to one or a combination of the following reasons — either they are too complicated and difficult to understand; there is not enough communication about the same; or there is a lack of senior leadership buy-in.

It is important to note that while we are in an era where benefits preferences have become highly specific to the individual, preferences to recognition continue to remain 'social'

Organizations have now realized that with a multi-generational workforce, the preference for rewards and incentives also vary. Employees expect more choice when it comes to benefits and rewards. Though monetary rewards still are still prominent, employees increasingly prefer 'experiences' and opportunities like taking up specialized courses or certifications as rewards. It is important to note that while we are in an era where benefits preferences have become highly specific to the individual, preferences to recognition continue to remain 'social.' We at Aviva have also started to provide recognition on platforms like LinkedIn and have observed employees sharing such recognition on their social networks as well.

There can be a multitude of factors that support the success of R&R programs and that vary with organizations or between channels within the same organization. A few factors to keep in mind when designing incentive plans are that the programs must be simple; the value proposition should be decided and the rewards must be linked to what the customers want; ensure that parameters are designed to drive the right behaviors; ensure leadership buy-in; prepare a communication and marketing strategy; measure progress continually and recalibrate approach if necessary; and collect data on the program's effectiveness for future analysis.

AYAN MAZUMDAR
Director - Rewards (Emerging Markets, Global Product, Technology and Operations), Pearson

Developing reward partners for a successful reward and recognition ecosystem

Creating a successful rewards and recognition ecosystem is not about developing an R&R program but creating business partners who can work as reward partners

The rewards and recognition landscape has undergone a tremendous change. One of the changes we are increasingly observing is in the policies that differentiate rewards from merit pay and performance pay. Another significant shift that has been observed is that more aggressive individual incentive plans have been replaced with collaborative rewards. But the adoption and implementation of digital technology has radically changed the entire landscape by enabling businesses to track and measure performance and compensate and reward employees accordingly.

As an organization, we traditionally started as a publisher, and an educational organization focused on selling printed textbooks. Currently, we are on our way to making a massive transition in the field of digital education space through the power of mobile and Internet. We expect to have a far-reaching impact on the education space and to the society. To support this business need, the composition of the workforce is changing increasingly and so our rewards and recognition practices. Our rewards have to keep up with the workforce composition and we are trying to create reward programs that cater to changes in the ongoing business developments.

Over the years, we have formulated our reward programs and have seen them as a philosophy than a mere tactic. Our reward programs are backed by a firm belief of benchmarking our customer market and being a competitor in overall compensation and reward strategy. But at the same time, we have data in compensation and reward programs that allow us to attract the right hire and retain our best talent to stay competitive in the market.

To create a culture of recognition, we have linked rewards and recognition to our cultural values that are agile, innovative, brave, and imaginative. And we aim to create an element of motivation and engagement that helps us creates an environment of high performance by recognizing employees who exemplify such behaviors. Creating successful rewards and recognition ecosystem is not about developing an R&R program but creating business partners who can work as reward partners.

We see our reward programs as a philosophy and not as a mere tactic
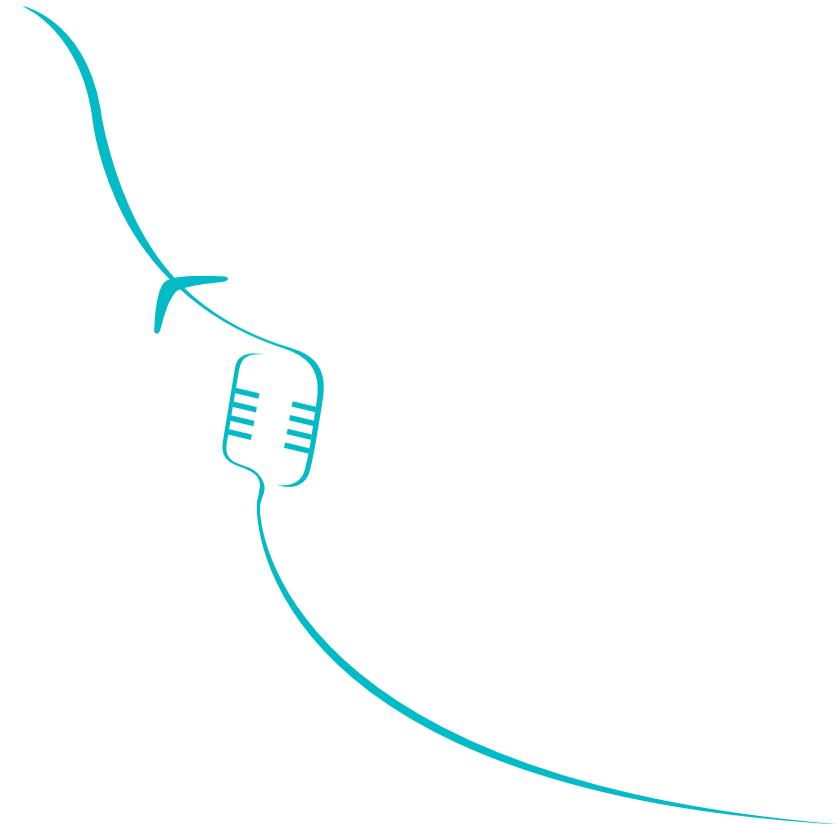
JANESH KUMAR
CHRO, Airtel Payments Bank

Delivering an individualized experience through rewards & recognition

R&R is more of a philosophy than process that links to the organization's system of beliefs and values

The changing workforce demographics has compelled leaders to rethink and realign their strategies around employee recognition, retention and rewards. Earlier, Reward and Recognition (R&R) was more like a ritual where people had to wait for occasions to get recognized and rewarded. Today, expectations have changed, and individuals expect instant recognition. Recognition that is given after significant time lapse loses its meaning by degree. If it takes longer for managers to recognize employees, the actions will more likely to be perceived as less authentic.

We at Airtel Payments Bank believe that today's generation does not stick to a specific tactic until they are emotionally connected to it. Thus, for Airtel Payments Bank, R&R is more of a philosophy than process. We have linked our R&R to the organization's system of beliefs and values to make it a part of our organizational culture.

I have seen R&R creating a positive impact on employee motivation and engagement instantly. There is an empathetic factor attached to R&R that helps employees to emotionally connect with the organization through the means of appreciating and recognizing efforts.

To create a culture of recognition, I believe one has to keep in mind three crucial factors:

- Deliver a great individualized experience: An essential aspect of recognizing and rewarding is that every employee should feel special, valuable and proud of their achievements. Make recognition powerful, positive and memorable.
- Continuous and spontaneous: Recognition should be constant and instinctive. Delaying recognition makes employees anxious, suspicious, and less productive. At Airtel Payments Bank, one way of making recognition a continuous habit is by appreciating people who recognize others.
- Connect to a bigger picture: Recognition should motivate employees to drive organizational goals, values, and belief. Plan your recognition practice in a way that helps employees to develop a sense of belonging, motivating them to perform continually.

Recognition should be constant and instinctive – delaying recognition makes employees anxious, suspicious, and less productive

SHIKHA SHARMA
Director- Compensation & Benefits -
India & Japan, American Express

Recognizing mid-level managers to drive the culture of organization

A small thank you note, a warm smile, a wink or a thumbs-up right after a presentation, quick feedback on the job, on-the-spot shout out for someone in a team. Is all it takes!

Strong recognition and rewards are the core pillars of a healthy and progressive talent management strategy. It can have a huge influence on the perception of fairness and transparency in the company. And hence, it should become a part of the cultural fabric of the company.

A small thank you note, a warm smile, a wink or a thumbs-up right after a presentation, quick feedback on the job, on-the-spot shout out for someone in a team, all can enhance employee engagement and help retain top talent. The leaders have to be enabled to lead from the front and re-imagine the way they add substance to the employee recognition experience. They also need to be supported to think how they can personalize the experiences and add thoughtfulness to create memorable moments for your employees.

There is also a need to rethink of how we are awarding our leaders and mid-level middle managers. It is the middle-level managers who drive the culture. If we reward our middle managers thoughtfully and make every moment for them a memorable one, they will further reward the front line in the same fashion.

HR should partner with leaders to bring an appreciative culture to life through these 4 practices, as mentioned below:

1. Add context to the program
Talking about the effectiveness of recognition or rewards practice, we must reiterate that it will be effective, if it has a business context attached to it, and not just following fads. Anything that caters to your employee needs and business context is effective. I have seen the same practice fail in one organization and succeed in another because it's all a factor of the context – what we are trying to drive – the employee need.

It is very important to link recognition to business goals. Organizations defining a long-term goal or on a transformative journey should pro-actively define what success will look like for the company. The endeavor should be to link recognition programs to achievement of business milestones and desired behaviours.

2. Get the balance right
In recognition more so than any other area, getting the balance right is critical. Balance between digital and personal touch; balance between big social recognition and small handwritten notes; balance between what to encourage and what to discourage; and how much and how often to recognize.

3. Personalize the recognition
Understand what recognition means for different people, which would be monetary as well as non-monetary. For one, it could be receiving more good quality work as an appreciation of his/her good work in the past; for an R&D person, it could be an investment in his dream project; for a third person the biggest recognition could be an opportunity to present to a function head. It's important to understand these definitions of recognition so as to create a culture of appreciation.

4. Have something for everyone
Another factor I believe that could take your recognition program to the next level is in creating something unique to touch for every segment of the employee demographic/ life stage in addition to performance at work is service anniversaries, marriage, child birth, children education. Creating something for every segment of employees is essential.

Over the last many years, interesting trends have been observed in recognition. Many organizations are moving towards Online platforms; some have made their awards very ceremonious and criteria driven to increase transparency and fairness; and I also see many companies linking awards to the Company Values.

I would still say that, this area still remains one of the most untapped ones in the space of Rewards and holds much more potential.

In my view, that one untapped area would be to have senior and most importantly middle managers as the ambassadors of an appreciative culture.
As Maya Angelou says— "I've learned that people will forget what you said, people will forget what you did, but people will never forget how you made them feel." That's the importance of recognition for an employee and leaders have to lead from the front.

(The views, thoughts, and opinions expressed in this article belong solely to the author, and not necessarily to American Express)

SIREESHA CHANDANA
Corporate Director-L&D and Engagement,
Taj Hotels Resorts and Palaces

Encourage participation to spark a culture of recognition

Recognition should be boundless. It should not just flow top-down in hierarchy and vice-versa but between different teams and across all stakeholders

In this war of talent, organizations are very particular about what they offer to their employees- compensation, learning opportunities, flexibility, career enhancement options, and rewards. Over the years, we have witnessed recognition emerging as a prime reason to ensure a confident and motivated work culture. Recognizing each contributing action, balancing intrinsic vs. extrinsic rewards, and helping colleagues grow at work is a lot of hard work. Thus, to promote a culture of recognition, all stakeholders should be involved. Recognition shouldn't be just the leaders or the manager's job, but the organization should embrace a culture where individuals openly acknowledge their managers, leaders, peers from other teams, partners etc.

At the Taj while there are many local campaigns which are in use for recognition, STARS and The Difference You Make @ Taj are two prominent recognition programs at an organizational level. STARS, acronym to Special Thanks and Recognition System has been in place for more than 15 years in our organization evolving over time. The program is linked to our business goals of achieving customer satisfaction and implementing suggestions to make for a better work environment resulting in a positive business impact. The Difference You Make @Taj is a recognition program aimed at nurturing and recognizing a great leadership culture in the organization. So this is an opportunity where we give a window to associates to identify mentors, coaches, managers, leaders, who have made a difference in their lives. These two programs have been differentiators in embracing a culture of recognition because of their ability to recognize individuals instantly and across hierarchy.

This leads to improved associate engagement and motivation and prompts him/her to put more efforts in driving business goals. The critical factor that should be taken care of while bringing to life recognition initiatives is instant recognition. Timely acknowledgment of a person or team's accomplishments is vital to the process. Two factors to be kept in mind while expressing immediate recognition.

Recognition shouldn't be just the leaders or the manager's job, but the organization should embrace a culture where individuals openly acknowledge their managers, leaders, peers from other teams, partners etc.

- **Identify opportunity:** Identify opportunities where you can recognize individuals- these opportunities can vary from exercising organization desired behaviors to helping a co-worker.

- **Connect emotionally:** Sincerely engage with associates such that we are able to strengthen the emotional connect with the organization.
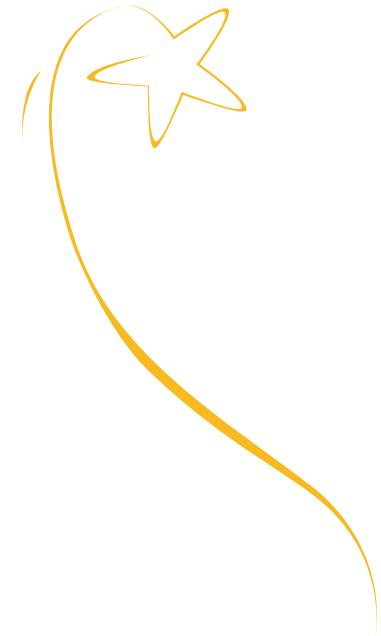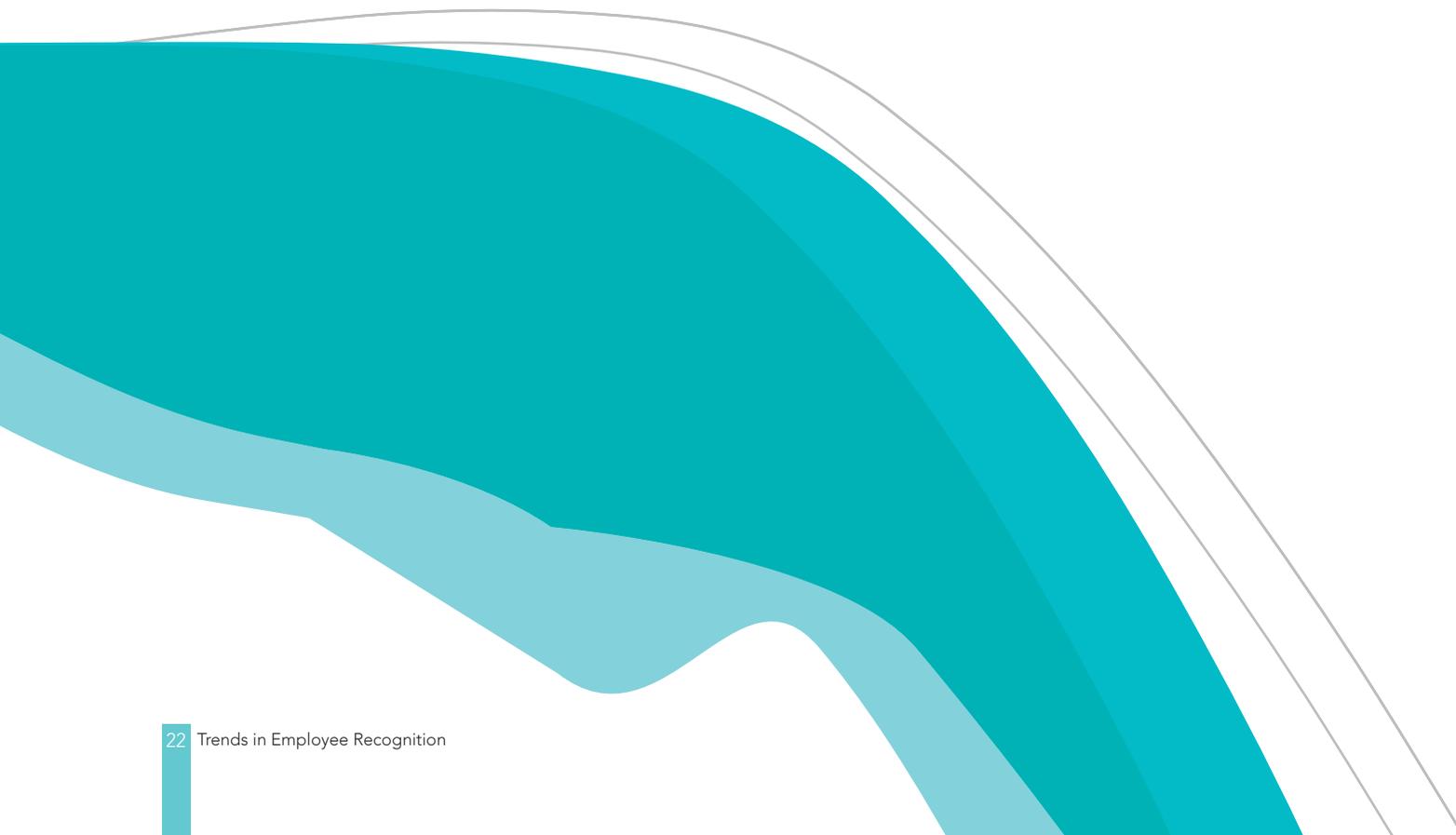
people matters

About People Matters
A niche media organization with a vision to help solve talent challenges globally by being an insightful, impactful and most far-reaching HR media brand. We strive to create an HR community of practice and excellence that fosters amalgamation of new ideas between talent and business leaders, technology disruptors, HR service providers and CXOs, leading to impactful talent decisions and core conversations that business and HR leaders should have to create a significant difference to both business and the society they operate in.

rewardian™

About Rewardian
Rewardian specializes in rewards and recognition platforms for companies to boost employee engagement, decrease turnover, and increase productivity. It offers recognition platform that seamlessly integrates with HRIS systems and is easily customized to match brands' look and feel. The platform empowers every employee to have a voice, recognize achievements, and celebrate milestones in real-time. Powered by timely and relevant recognition, the Rewardian platform drives business success, aligns corporate goals and unifies culture across continents.