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# Appreciate Your People

## Make it memorable by being creative

**R**ELECT for a moment on the effectiveness of your organisation's approach to rewarding and recognising employees.

How are culture, engagement and performance impacted? Do leaders successfully influence capability and behaviour through the thanks they give and rewards they provide?

Do financial and non-financial rewards inspire discretionary effort and impact upon the standards achieved by individuals and teams?

### Why do these programmes fail?

If you're struggling to extract optimal value for your reward and recognition efforts, you're far from alone. All too often, organisations fail to leverage the full benefits of the investment they make in reward and recognition programmes.

- At the heart of the issue are two key factors:
- lack of effective coaching from managers
  - poor design or application of reward programmes

The simple reality is, when leaders actively coach their people, they are more likely to be 'tuned in' to each individual on their team; that is, how they are thinking, feeling, learning and ultimately performing.

When leaders adopt a coaching approach, they are entirely more likely to communicate both constructive feedback and praise.

Incentive schemes or recognition programmes typically fail due to a lack of alignment between the decisions made and the outcomes needed.

Take, for example, bonus programmes that fail to reinforce cultural expectations or incentive schemes that discourage collaboration and team success.

It doesn't take long, working in human resources, to come across the highly-paid 'technical expert' who earns large bonuses despite poor behaviour that impacts the rest of the team.

### The rewards of getting it right

Getting reward and recognition right matters for reasons beyond spending money wisely.

Of course, success should be measured by the return on your investment in bonuses and other financial rewards.

What matters more, however, is the impact reward and recognition (done well) can have on the performance of your business.

The bottom line is that people are more likely to strive to achieve the standards required of them, and beyond, if they believe they are fairly recognised and rewarded.

When people don't feel fairly treated, it's highly unlikely that they'll invest the full strength of their potential in getting the job done.

A research done by Gallup spanning four million employees worldwide presents compelling evidence of the link between reward and recognition, and organisational performance.

Benefits cited include improved individual productivity, increased engagement among colleagues, and staff retention. In addition to that, higher loyalty and satisfaction scores from customers, better safety records and fewer accidents on the job were also reported.

### It's not all about the money

While financial rewards unquestionably play a role in inspiring a sense of personal value and commitment, far more important are the words of gratitude people need to hear, and the acts of generosity they value.

McKinsey & Company research shows that non-financial incentives are more powerful influencers of behaviour than money. When people are satisfied with their salaries, non-financial rewards are more effective in building long-term employee engagement.

### Customise and personalise

Making reward and recognition programmes work requires a creative approach.

While there are strategies or initiatives that will work across the board, far more powerful are those tailored to your workforce.

Look for opportunities to tailor rewards to each individual or team. Adding a personal touch can have a long-lasting impact on the extent to which rewards are truly valued.

Keep in mind that the primary objective of rewarding and recognising people is to influence how they feel and in turn, behave. To do that, you need to adopt an approach that works for them.

Armed with a little understanding of each individual, far more meaningful and impactful rewards can be provided.

### Make lasting impressions

While many organisations provide standard rewards or forms of recognition, people often appreciate the effort invested and personal nature of the reward more than the value of the gift itself.

Encourage leaders to think laterally about what their team may value and look for ways to accommodate these. For example, tickets to a certain event, or a book about a topic the individual is interested in, are far more likely to be memorable than a standard reward that everyone else gets too.

While a certificate of achievement or trophy may well be appreciated in some instances, rewards that demonstrate thoughtfulness are more likely to be valued.

Opportunities to attend courses or conferences, time off to pursue personal interests, gift cards or vouchers for products or services the individual needs, and support services that help people balance work and life are just some of the many ways in which a tailored approach can be taken.

 *Karen Gately, a founder of HR Consultancy Ryan Gately, is a leadership and people-management specialist. Karen works with leaders and HR teams to drive business results through the talent and energy of people. She is the author of The People Manager's Toolkit: A Practical Guide to Getting the Best From People (Wiley) and The Corporate Dojo: Driving Extraordinary Results Through Spirited People. To connect with Karen, email editor@leaderonomics.com.*

