

# REIMAGINING REWARDS AND RECOGNITION



In a tight talent market, a robust recognition program can deliver tangible benefits to mid-market companies.



**T**HE COVID-19 PANDEMIC HAS DRIVEN MASSIVE SHIFTS in the workplace and accelerated new ways of working. Today's mid-market companies are coping with a slew of challenges, from retaining employees in "The Great Resignation" to maintaining a culture of connection in a remote or hybrid workforce.

While these shifts have caused widespread disruption in nearly every industry, they have also created opportunities for organizations to rethink their approach to attracting, engaging, and retaining employees. Rewards and recognition are increasingly emerging as a key driver of workplace culture, with employers of all industries and sizes relying on high-tech, robust recognition platforms to maintain connection in a dispersed workforce.



# CONFRONTING THE CHALLENGES OF COVID-19

With so much change upending life over the past two years, employees are reevaluating their priorities and voting with their feet, leaving behind organizations that don't align with their needs. In 2021 alone, [SHRM](#) reports that an average 3.95 million workers quit their jobs each month—the highest on record. And the trend is likely to continue; [Microsoft's 2021 Work Trend Index](#) shows that 41% of the global workforce is considering leaving their current employer within the next year and 46% plan to make a career transition.

This is having a major impact on organizations' ability to attract and retain talent. According to a recent [Willis Towers Watson survey](#), 73% of employers are having difficulty attracting employees, a nearly three-fold increase from 2020. COVID-19 vaccine mandates are further exacerbating the issue, with many disgruntled employees choosing to walk away rather than comply.

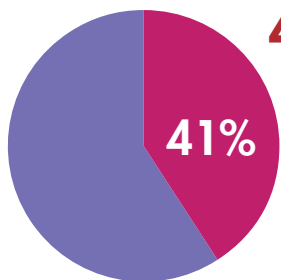
This workforce disruption is not only affecting businesses; employees are also feeling the pressure. The pandemic has tested employees' resiliency, with research from [Alight Solutions](#) reporting that 40% of workers say they have experienced a decline in their emotional and

mental well-being. In the face of severe talent shortages and continued uncertainty, many employees are forced to shoulder the burden of additional responsibilities, leading to anxiety and burnout in 41% of the workforce. Others are feeling the drawbacks of remote work, with a [recent Glassdoor survey](#) showing that nearly half (48%) of employees have felt isolated from coworkers during the COVID-19 pandemic.

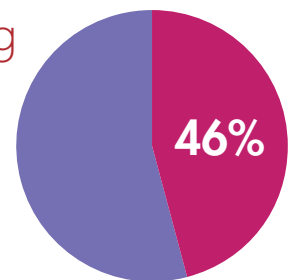
All of these challenges are bringing down employee morale and engagement, further threatening organizations' hold on their best workers. Research from [Gallup](#) shows that only 36% of employees say they are engaged

at work, while 15% are actively disengaged. Among actively disengaged workers, 74% are either actively looking for new employment or watching for openings, compared to 30% of engaged employees.

One thing has become clear as the business world navigates this new paradigm of work: employers need to be flexible and innovative to keep their people connected and engaged. In difficult times, it's more important than ever to support employees and boost morale, and the ability to do so will impact who stays and who goes.



**41%** of the global workforce is considering leaving their current employer within the next year and **46%** plan to make a major career transition.



Source: Microsoft, 2021 Work Trend Index

# EMPLOYEE RECOGNITION: DRIVING A COMPETITIVE ADVANTAGE

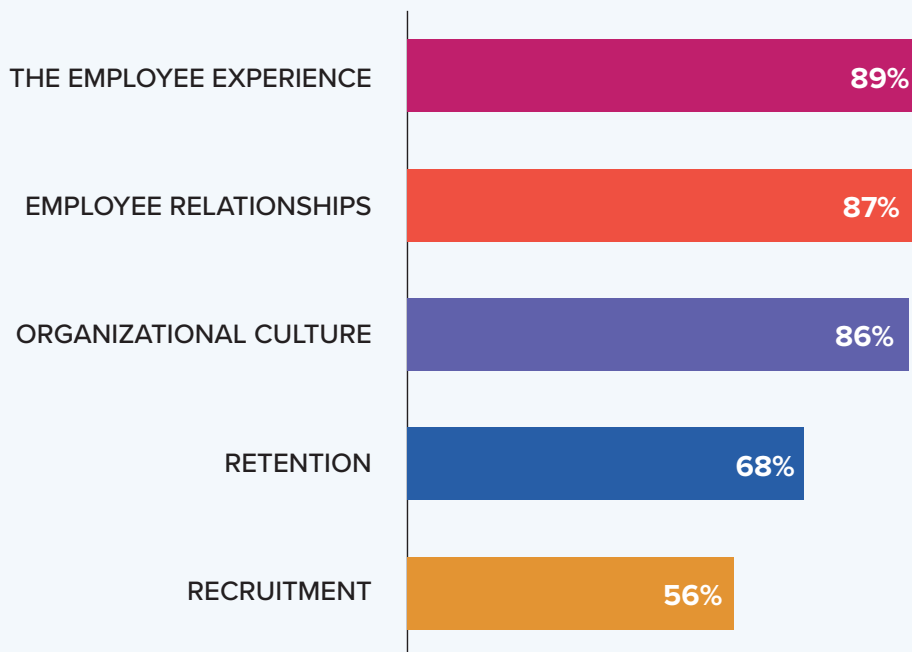
Many organizations think that the key to reducing employee turnover is high salary, and in fact, a [Conference Board](#) survey shows that companies are setting aside a record high 3.9% of their payroll budgets for salary raises to existing employees. However, HR leaders should not lose sight of the impact that benefits like rewards and recognition can have on their teams.

As more mid-market companies embrace the hybrid or remote workforce, many are struggling to ensure that employees feel connected to their work, their peers, and their organization's broader mission and goals. Rewards and recognition can provide a powerful tool to drive culture and connection across the workforce, boosting morale and making employees feel more engaged and satisfied with their jobs.

According to [SHRM](#), recognition programs deliver a number of benefits:

- Nearly nine out of 10 HR leaders believe recognition positively affects the employee experience (89%), employee relationships (87%), and organizational culture (86%).
- Sixty-eight percent of HR professionals agreed that employee recognition has a positive impact on retention and 56% said such programs also help with recruitment.
- When companies spend 1% or more of payroll on recognition, 85% notice improvements in engagement.

## HR LEADERS BELIEVE RECOGNITION POSITIVELY AFFECTS:



Source: SHRM, Using Recognition and Other Workplace Efforts to Engage Employees Survey



## EMPLOYEE RECOGNITION: DRIVING A COMPETITIVE ADVANTAGE (cont'd)

How do rewards and recognition programs achieve these results? Recognition allows employers to celebrate individual and team wins and ensure employees feel appreciated for their work. They are a powerful tool to communicate positivity and build connectivity across teams, particularly in the remote environment where good work can easily go unseen.

Whereas formal recognition programs were once the realm of large Fortune 500 enterprises, they are becoming increasingly common among mid-market companies looking to make a greater investment in their people. Today, many organizations are utilizing recognition to support and nurture teamwork, reward employees who are living the company values (in and out of the office), and recognize those who are overcoming the obstacles of the pandemic and going above and beyond in their roles. This makes employees feel appreciated for their whole selves, creating a supportive environment that positively impacts employee well-being, job satisfaction, and productivity.



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*Source: SHRM, Using Recognition and Other Workplace Efforts to Engage Employees Survey*

## THE NEW GENERATION OF RECOGNITION TECHNOLOGY

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In the war for talent, rewards and recognition are must-haves. Providing recognition that is frequent, timely, specific, and visible can actually inspire employees to work harder and become more engaged. In fact, [Officevibe](#) claims that 69% of employees say they would work harder if they felt their efforts were being better recognized.

As remote and hybrid workplaces continue to rise, so too do digital recognition solutions. Today's high-tech recognition platforms provide social capabilities that amplify the recognition experience and empower employees to truly live by the company values. They deliver massive quantities of workforce data that can help business leaders keep a pulse on their

people and make better data-driven decisions. Highly configurable recognition platforms can also be customized specifically to support new company goals quickly, improving organizational agility and flexibility in a tumultuous time.

Engaging a partner like [Madison](#), a global leader in social recognition, can help organizations bring to life a next generation recognition and rewards program that delivers high efficiencies, high effectiveness, and ultimately a high return on investment. No matter whether an organization has 4,000 employees or 40,000, having a single platform to manage rewards and recognition can streamline a program and make it more user-friendly, efficient, and accessible.



Madison's [Aria](#) platform, a cutting-edge social recognition solution for mid-enterprise businesses, offers an affordable option for organizations with 2,000 to 5,000 employees looking to establish an employee rewards and recognition program. A sister product to the award-winning [Maestro](#), Aria is highly configurable and allows for recognition and social sharing anywhere, anytime, on any device. The platform delivers a highly customizable user-friendly interface, a range of reward options, and industry-leading business intelligence and reporting—all at minimal cost and implementation time. In Madison, business leaders can expect a true partner that delivers the highest level of service, technology, and thought leadership at fair and transparent prices.



## CASE STUDY: DRIVING COMPLIANCE WITH RECOGNITION

What gets recognized gets repeated, and this is certainly true of one organization's push to leverage recognition to encourage COVID-19 vaccinations among its workforce. In partnership with Aria by Madison, the company implemented a solution that awarded employees for getting vaccinated, even going so far as to award major cash rewards as the company hit thresholds for vaccination rates. This inspired high rates of acceptance of the vaccine policy while allowing vaccination data to be closely tracked and monitored by business leaders in a single central platform.



## CASE STUDY: RECOGNITION IN A DISPERSED WORKFORCE

When one mid-size company with a large team of field-based personnel engaged Madison to design an employee recognition program that fit their needs, the Aria platform provided a perfect fit. Aria delivered the high functionality and flexibility the company needed to bridge the gap between their office-based and field-based workers, making the entire workforce feel connected to the company culture in a robust and meaningful way.

Using Aria's on-the-spot recognition features, field-based employees are awarded printable certificates that can be redeemed online for a range of rewards on a cellphone, tablet, or laptop later in the day. The program has seen excellent results, with the number of employees engaged in the organization's reward and recognition program doubling since the switch to Aria. Employees are enjoying the program's offerings, technology, and flexibility, with many workers choosing to donate their rewards to help fellow neighbors or community members in need during these difficult times.

## ABOUT

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