Overview of Recognition and Reward Programs

Successful organizations understand the importance of developing a recognition and reward program to acknowledge the accomplishments and validate the work of their employees. These programs may be formal, offering material incentives for employees who achieve predetermined goals, or informal, providing positive feedback in the form of verbal praise. The most effective programs are those that encompass a range of recognition activities reflecting the unique culture of the organization.

Identifying Goals Your Program Will Achieve

- As explained by Recognition Professionals International, the application of employee recognition is rooted in the behavioral psychology principle of positive reinforcement—that is, behavior that is rewarded is most likely to be repeated. In the workplace, recognition for behavior that promotes an organization’s goals has been shown to improve employee performance and retention. Results of recognition and reward programs include increasing employee morale, supporting the organization’s mission and values, and encouraging loyalty.

Understanding the Basic Concept of Motivation

To understand how employees are motivated by positive reinforcement, it is important to understand the basic concepts of motivation. Two broad philosophies offer foundational beliefs about human nature.

- Rational philosophy assumes that people can make assessments of their surroundings and work toward goals. It assumes that employees recognize rewards and actively choose to exhibit behavior that will elicit these rewards. According to this theory, the behavior comes first, and the reward follows.

- Behavioral philosophy assumes that all behaviors are learned, and that people are not able to recognize goals and work toward them. Behaviors are shaped by the reinforcement that is received. This theory assumes that if a person receives a reward for a certain behavior, they are likely to repeat that behavior again. The sequence differs from that in rational philosophy in that the reward comes first, and the behavior follows.

“What gets recognized gets reinforced. What gets reinforced gets repeated.” – Anonymous

Use the tips and resources on this fact sheet to better understand and implement a recognition program.
Studies show that combining these two theories best supports employee motivation.

**Informal Recognition Programs**

Because employees want to be valued and appreciated, informal recognition of accomplishments can positively impact both individual workers and the organization. Informal recognition is the use of positive reinforcement without material rewards. Informal recognition might include simply saying “thank you,” a kind note, a smile, a small gift or gift card, or a pizza party or other special meal or snack.

Organizations that have implemented informal recognition programs have reported significant improvement in employee morale and increased trust in and loyalty to the company. It may also improve organizational resiliency and lead to fewer complaints, increased ability to overcome obstacles, lower absenteeism, lower turnover rates, and greater satisfaction and effectiveness with the performance appraisal process. This article from Mind Tools describes more: [Rewarding Your Team](#).

**Formal Recognition Programs**

A formal recognition program strategically reinforces established employee behaviors through material incentives or rewards, such as a bonus or performance award. Typically, employees are rewarded when they achieve employer-established objectives that align with the overall goals of the company. This recognition of behavior has been shown to increase morale and give employees a sense of worth in their organization. In turn, employees show greater work ethic, dedication, and loyalty to the company, leading to higher retention rates. When creating a formal incentive program, think about your organization and its management style and culture. Answer the questions: Who is the program trying to reach? How will it benefit the organization? What types of performance and behaviors are we trying to encourage? Learn more from this white paper: [The Fundamentals of Employee Recognition](#).
Employee Recognition and Reward Programs

Successful organizations understand the importance of developing a recognition and reward program to acknowledge the accomplishments and validate the work of their employees. A recognition program should include:

- A documented recognition strategy with goals and objectives,
- Roles and responsibilities,
- A communication plan,
- Program measures (e.g., participation, outcomes of recognition strategies),
- Manager/supervisor training, and
- Practices for both informal and formal recognition.

Learn more from Recognition Professionals International.

Effective Employee Recognition Programs

You can show your appreciation for your employees through verbal and written praise, monetary awards, personalized gifts, and fun events or experiences. Learning how your employees prefer to be appreciated can help you decide which types of employee recognition to incorporate regularly into the workplace.

The following are seven popular programs you can implement to help recognize employees for their hard work.

1. **Years of service award**
   An employee award that acknowledges years of service helps tenured employees remain engaged while encouraging new hires to stay committed to the role. New hires may become more motivated when they see their company rewarding employees based on their years of service to the company.

2. **Customer service award**
   You can show appreciation for employees in customer service roles by rewarding them for meeting sales goals, demonstrating leadership skills, receiving positive customer feedback, or providing exceptional customer service.
Recognition STRATEGIES

3. Employee appreciation events

Hosting an employee appreciation event is another way to recognize employees. Praising employees for their good work in front of their colleagues can help boost self-esteem and make employees feel valued, which can lead to increased motivation to succeed. When other employees see a colleague being recognized, they may be encouraged to work harder to achieve similar recognition.

4. Employee recognition wall

Consider setting up a board or dedicating a wall where everyone shares messages of appreciation for their peers. Not only will this inspire employees who have been recognized to maintain their good work, but it can also challenge others to increase their efforts so they can receive praise, too.

5. Weekly shout-outs on social media

Shouting out an employee on the company’s social media platforms or internal company intranet is a great and free way to recognize employees regularly. You can post a picture of them (with their approval) and go into detail about what makes them such a great employee.

6. Monetary employee recognition awards

Rewarding employees in a monetary way is another employee recognition tactic to consider. Common monetary awards include extra paid time off, bonuses, gift cards, paid training or career development opportunities, and free meals.

7. Employee of the month

An employee of the month program is a classic recognition award that works when implemented strategically. Consider having peers or managers vote for the employee, and have each person explain why they are voting for a particular person. Personalize the reward for each employee and be specific when discussing why the employee is being recognized.

Learn more employee recognition strategies from Indeed.
Understanding Recognition

To understand how employees are motivated by positive reinforcement, it is important to understand the basic concepts of motivation. Two broad philosophies, rational and behavioral, differ in their foundational beliefs about human nature. Rational philosophy assumes that people can make assessments of their surroundings and recognize and work toward goals. In contrast, behavioral philosophy assumes that all behaviors are learned, and that people are not able to recognize goals and work toward them. (Learn more about these philosophies on the Recognition Tips Fact Sheet.) Studies have shown that a combination of these two theories best represents employee motivation in the workplace. The prospect of earning a reward motivates people, but only until the point at which they are satisfied with the amount of reward received. For example, employees are motivated by earning a pay raise until they have reached a point that they consider their salary satisfactory; then, they are no longer as motivated by the prospect of a raise. After the point at which rewards no longer motivate the employee, behavioral motivation programs can be used to elicit desired behaviors. See this article from the Society for Human Resource Management to learn how rewards and recognition are effective tools to motivate workers: Practice the five R's to motivate workers.

Rewarding Your Team

An often-overlooked key to effectively rewarding your team is to understand what they value. This article from Mind Tools uses the example of a manager who rewards an outstanding employee by gifting her a Thanksgiving turkey, not knowing that she is a vegetarian with an hour-long commute on a train. The best rewards for your team are the rewards that would uniquely motivate and be meaningful to them. This American Psychological Association video outlines the importance of recognizing employees both individually and collectively with rewards that are meaningful to them. And this article from Forbes offers some innovative tools and ideas for employee recognition and rewards: Recognition in the Workplace: It’s Not What You Think It Is.

Team Building with the “Marshmallow Challenge”

Team building exercises with your employees can also provide an opportunity for recognition. In a 2020 TED Talk, Tom Wujec presents some surprisingly deep research into the “marshmallow problem”—a simple team-building exercise that
Recognition TOOLS

Recognition TOOLS involves dry spaghetti, one yard of tape and a marshmallow. Wujec found that this simple challenge gives teams a low-stakes opportunity to prototype and experiment to achieve a shared goal. The Mind Tools website offers several team building tools focused on different areas such as communication, creativity, and problem solving. You see can those on the Team Management web page.

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**Peer-to-Peer Recognition Programs**

Publicly recognizing one’s peers goes a long way in building team unity and motivating workers. The Society for Human Resource Management has a set of tips for creating peer recognition programs, including:

- Defining program goals,
- Involving employees in the program design,
- Evaluating the program’s effectiveness and rewards, and
- Keeping it fresh.

For program ideas, Matter offers information on eight different peer recognition programs.

1. Deliver peer recognition via paper or note
2. Deliver peer recognition in person
3. Provide public kudos
4. Leave them a surprise on their desk
5. Make them a peer recognition card
6. Buy them lunch
7. Provide daily affirmations
8. Offer support on a future project

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**Employee Recognition and Why It Matters**

One the strongest influences on company culture is employee recognition. The employee experience and company culture are often major factors for potential employees. According to a YouTube video from Bython Media, the six recognition-related facets that make an employer attractive to new talent include engagement, strong leaders, opportunity, success, purpose, and well-being.
Create a Human-Centric Culture

Workforce development is an ongoing challenge within the behavioral health field. Strained infrastructure and staff shortages are just two of the many obstacles to overcome. That’s why we’ve produced trainings, toolkits, and workshops to help your organization’s behavioral health workforce feel seen and appreciated.

One proven technique to help retain talent is acknowledging the accomplishments of employees—an application of positive reinforcement, or the idea that rewarded behavior is most likely repeated. Still, the success of a recognition and rewards program—formal or informal—requires a deep understanding of motivation, morale, and trust. Is your team properly equipped?

AHP is ready to help.

We know what it takes to both implement a brand-new recognition and rewards program and revive an existing one. We’ve been helping teams successfully do so for 35 years—as leaders, managers, and state agency directors; as developers and operators of services.

Our administrative services, thought leadership, technical assistance, and evaluation can be instrumental in showing appreciation for your employees and validating their efforts. With such strong influence on company culture, employee recognition must be managed thoughtfully and genuinely. We’ll show you how.

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Real World Solutions for Systems Change

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