

HaRe Group newsletter: 6 October 2008

Subject: Recognition ammunition

In a recent newsletter, I called for stories about increasing employee engagement and retaining talented people. To reiterate my experience, most employers need to:

- Know and develop their A-team
- Share important information early, widely and simply
- Minimise the isolation of employees
- Provide comprehensive training and counselling resources
- Provide challenging work and opportunities to learn
- Recognise good work all the time

The responses were generally about the importance of leadership, professional development, and recognition. One particular case led me to further research on the effectiveness of broad-based recognition programs.

There are several good examples of such programs, but the following illustration (in a large financial services company) was impressive:

- Performance measures: include competencies (as well as outcomes), identified by the company and defined by employees
- Assessment: an employee can nominate any other employee (mostly on-line via the company's intranet) to the nominee's manager
- Review: initial vetting by the manager, and referred to an employee committee for adjudication
- Evidence: the committee may seek more information to support their recommendation
- Outcome: usually a certificate presentation during team meetings, and reported in the company newsletter
- Reward: the manager determines a points allocation for each "recognition event" – points accumulated by an employee for successive events can be redeemed for retail vouchers

Of course, programs of this nature need to be crafted with great care. Cultural alignment is critical and senior management support is vital. All recognition programs must be seen to be well managed and fully consistent with company values; therefore, line managers need to be believers and advocates for the program.

Likewise, other HR programs need to reflect company values and operate in concert with a recognition program. For example, an overarching reward strategy should drive the development of remuneration structures, performance measures & incentive plans, as well as a complementary recognition program.

In the above example, the company's investment in its recognition program has been returned with a solid increase in employee engagement – good proof that employee recognition is effective ammunition in winning the war for talent.

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