



3 ways to leverage your employee recognition spend

John O'Brien

Vice President Employee Performance Group
BIWORLDWIDE

We've all heard the line, "A company's greatest asset is its people." We've probably all said it at one time or another too. But the truth is, companies can have vastly different strategies when it comes to actually responding to it.

If you view employees as your company's greatest asset, then your relationship with them needs to be handled carefully. That care can come in the form of many things from fair pay, an inclusive work culture and equitable career opportunities, as well as employee recognition and rewards. How you recognize and reward your workforce is the essence of your company's employee value proposition, or EVP; it's what you offer employees in exchange for their time, talent and commitment.

Commitment can be quantified in a measure called eNPS, or employee net promoter score. eNPS is derived from the question, "How likely are you to recommend this company (or program or initiative) to others?" to provide a basic understanding of an employee's level of satisfaction and engagement. It's the first step toward knowing if you're providing the right employee experience – one they value and find motivating.

While you are likely already investing time and resources in employee engagement and recognition, how do you know if you're investing wisely?

At BIWORLDWIDE, we believe the best and most impactful way to utilize your recognition budget is to implement a three-dimensional strategy that encompasses **base recognition, strategic recognition** and **performance-based recognition**. Each of these levels has its own distinct focus, features and programs.

Base recognition	Strategic recognition	Performance-based recognition
<ul style="list-style-type: none"> ● Employee to employee ● Manager discretionary ● Real-time recognition on Outlook, Teams, Slack, Chrome and mobile ● On the Spot recognition cards ● Recognition Advisor ● Recognition TV ● Badges ● Resource Center ● RPM Dashboard ● Service awards ● Social feed ● WorkHappier profile 	<p>Onboarding</p> <ul style="list-style-type: none"> ● Badging ● Welcome letter or kits ● Creative communications ● Manager support ● Learning <p>Targeted employee appreciation</p> <ul style="list-style-type: none"> ● Corporate initiatives ● Nominations ● Holidays and celebrations ● Audience-specific or company-wide ● Campaigns and promotions ● On the Spot recognition cards 	<p>Sales effectiveness</p> <ul style="list-style-type: none"> ● Contest Wizard ● Promotions ● Product launch ● Channel engagement ● Balanced scorecards ● On the Spot recognition cards ● Safety programs <p>Referrals</p> <ul style="list-style-type: none"> ● Employee ● Customer ● Lead generation



3 ways to leverage your employee recognition spend

This three-dimensional, integrated recognition strategy has been implemented by multiple BIW clients and has led to significant reductions in voluntary turnover and major financial benefits as evidenced below.

BIW integrated recognition:

Financial benefit of reduced voluntary turnover

Retention benefit



27.51% lower
voluntary turnover
when receiving
recognition

Total cost avoidance



\$185,990,000
in total annual
cost avoidance
(8 companies)

Average cost savings
per employee



\$1,163 per employee
(159,970 total
employees)

Source: Aggregate results of eight BIW customers over 24 months, including 159,970 employees

BI WORLDWIDE® | 2022

As you evaluate your current employee recognition spend, ask yourself these questions:

- Is it having a multi-layered impact on your company?
- Is it helping you retain your best and most productive employees?
- Is it saving you money via the cost avoidance of employee retention, and making you money via the revenue generation from increased performance and production?
- Is it creating “cultural champions” – loyal, engaged employees who will actively promote your process, your products and services and your brand?

Visit our blog to read or share this article.