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# Rewards or Recognition





Nowadays, businesses keep hearing about rewarding and recognising their staff for a plethora of reasons that in turn should result in a more engaged team, higher customer satisfaction or increased ROI. What does it all mean, and should it be something you are doing? We will be delving into these questions and highlighting the importance of these concepts.



## So why are they important?

Reward and recognition are important to any business as they both encourage employee engagement and motivation. As well as the assumption that it's important to any business, multiple studies <sup>1</sup>. have found that teams' performance increased. A more engaged and motivated workforce will lead to better retention, saving the business time and money on recruitment and inductions. Even omitting the reduction in monetary and time expenses of staff turnover, the benefits of an engaged and happy workforce will be seen across the business in all areas of customer satisfaction. When asked what leaders could do more of to improve engagement, 58% of respondents replied "give recognition" <sup>2</sup>. An internal reward and recognition programme should be considered as a part of a larger employee engagement strategy in order to fully reap the benefits in your business.

## Reward and recognition, what's the difference?

Rewards are the physical, hard benefits (technology items, experiences, etc) that are given to your employees. Usually, they are more memorable to the recipient as they're tangible items and have an economical value. In the case of experiences they can even foster lifelong memories. Recognition on the other hand is one of the soft benefits that add emotional value and attachment to the company, such as announcing accomplishments and praising behaviours or actions.

As rewards are usually associated with achieving objectives and targets, they are more anticipated than recognition, but neither should be in isolation, they work alongside to complement each other when highlighting appreciation to employees.





## What if we don't have the budget to reward staff?

If your budgets are stretched across multiple departments and rewarding employees is where you're falling short, then begin with the recognition aspects that will cost you nothing, such as gratitude either personally or publicly. Think about setting a framework for recognition so that your team understand how and when recognition might be received. Could you introduce a mechanic for employees, to recommend their peers for recognition? This can often bring a bigger feeling of pride than being recognised by a manager. 41% of companies that use peer-to-peer recognition have seen positive increases in customer satisfaction <sup>3</sup>.

Once you have the recognition framework in place then you can build up to the rewards. As mentioned earlier, they can increase ROI in many ways so the budget may be small to begin with, but in the long-term a retention plan will be worth your investment.

Essentially, looking after your employees has never been more important. With the ability to now work from home for many people, employees have access to a much wider job market than ever before, so you need to make sure you are considering their needs and how to engender loyalty to your brand. An internal reward and recognition programme can be the first step towards a larger loyalty culture strategy in order to thank your employees for their ongoing dedication and flexibility in navigating and learning the new ways of working.

If you're worried about the fulfilment complications, Stream Rewards is a one stop solution that can cover everything from sourcing items and handling recipient data through to fulfilment. There are 100's of rewards meaning there is a solution for every audience, budget and business. If you want to know more, ask us for a demo and we can demonstrate our full solution from the software and rewards to how you can utilize gamification.

1 - Geue, 2018

2 - Psychometrics

3 - Globoforce

## About the Author



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Taylor is the rewards product expert and ensures our product range features the all latest must have items. Her mission is to make our customers lives easier, taking the stress out of reward fulfilment and ensuring that RewardStream is delivering ROI. She is the person in the know when it comes to rewards and our go-to person for all things RewardStream.

**We love talking about all things loyalty – if you fancy a loyalty chat, we'd love to hear from you!**

## About Stream

Stream are passionate about loyalty – we are the experts after all!

As a tech-enabled consultancy, we seek to understand your business challenges and your audience and work with you to craft a loyalty solution that delivers value. We are both consultants and implementers and use our extensive expertise and software capability to deliver proven, lasting results.

Loyalty is not 'one size fits all' and our team of commercial experts work to ensure that your loyalty strategy is right for you.

Whether you need to increase revenue, grow breadth of spend, or create a referrer programme, we have the experience to help sculpt the right solution. Our proprietary loyalty software- LoyaltyStream® helps to: retain customers, change buying behaviours, build brand loyalty and drive referrals.

Our LoyaltyStream® software is deployed globally, helping our clients to build trust that delivers brand loyalty and commercial rewards.

We guarantee to be able to help you Keep, Grow and Win customers for life.



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