



honoring**Performance**

Non-Cash Incentives: The Power of Tangible Award Programs





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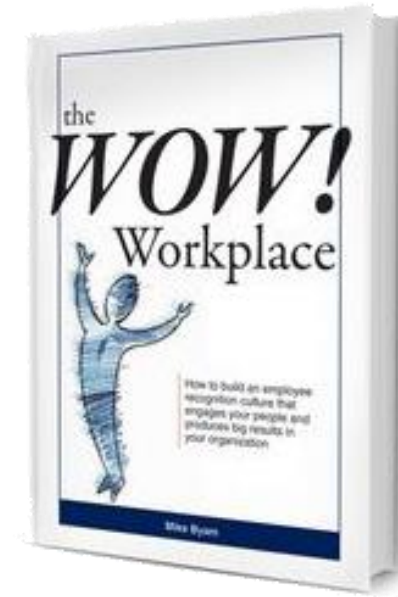
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CHAT IN

Have a question?

Chat in and receive feedback immediately

WOW! US AND WIN!



If we address your question during today's live broadcast, you'll receive a complimentary copy of "*The WOW! Workplace*" by Mike Byam.

*Get involved and **be recognized!***

Q & A will take place at the end of the webcast, but you can submit questions any time using your tool tray on the right side of your screen.

What role(s) do you play in your organization?
(Select all that apply)

- ☐ HR professional
- ☐ Operational/ safety
- ☐ Sales, marketing and events
- ☐ Wellness
- ☐ Other



AGENDA

- Broad Approach to Recognition and Incentives
- Defining Incentive Programs vs. Recognition Programs
- 4 Keys to Successful Program Implementation
- Utilizing Technology Platforms



Where do Incentive Programs Fit?



Where do Incentive Programs Fit?



Ideal for:

- Sales Incentives
- Safety Awards
- Wellness Rewards
- Production Achievements



Most Common Types of Performance Recognition Programs

Recognition & Rewards Driven by Specific Performance Metrics

Honor Clubs

Annual Best of the Best



Sales Incentives

Contests (Short Term)



Safety Performance

Training

Safety Task Completion

Milestones



Wellness

Challenge Completion

Step Competition



POLL

Does your organization currently have any of the following incentive programs in place? (Select all that apply)

- ☐ Honor Clubs
- ☐ Safety Programs
- ☐ Sales Incentives
- ☐ Wellness Programs

Recognition vs. Incentives

	Compensation: Salary & Variable	Incentives (Sales, Safety & Wellness)	Recognition (Honor Club)
Who?	Everyone	Go-getter	Top Performers
What?	Monetary – Paycheck	Tangible Rewards/ Travel/Point programs	Social or Symbolic Awards
When?	Every week/ 2-weeks	As Behavior or Achievement Occurs	Periodic as Top Performers Emerge (usually annually)
How?	Privately	Visible – Bragging Rights	Public – Both customer facing & colleague facing
Perceived	Entitlement – Part of Employment Contract	Earned – Within Individual Control	Honors earned for contributions made & performance achieved



Tangible Awards vs. Cash Payouts



Compensation alone doesn't **keep** talent.

Supporting Stats

62% of the subjects chose a non-cash reward over cash. – IRF, 2015

4 of 5 respondents said merchandise awards are remembered longer than cash awards.

60% said employees view cash as compensation. **53%** say that employees tend to look at bonuses as something that is due.

*"While most people stated a strong preference for cash, **their performance was markedly better when they were in pursuit of a non-cash incentive.**"* – University of Chicago Study



Terryberry's Approach to Incentive & Performance Recognition Programs



1. DESIGN -- Identify performance metrics and thresholds (set a standard). Develop a tiered program structure to motivate all levels to higher performance.



2. COMMUNICATE -- Develop a program theme, website, digital campaign, print, etc. Keep the program visible throughout the campaign.



3. MEASURE -- Implement performance leaderboards that communicate to participants how they are doing.



4. AWARD -- Design a custom award package that represents elite performance.



Which of the following incentive program implementation stages does your organization have the most challenge with?

- ☐ Design/ Structure of the Program
- ☐ Program Communication
- ☐ Measuring/ Reporting
- ☐ The Award(s)



Honor Clubs

Annual Best of the Best

Also known as President's Club, Top Achievers, etc.



An Honor Club is a group of individuals who:

- ☐ Exemplifies TOP PERFORMANCE in a calendar or fiscal year
- ☐ Achieve specific performance levels based on goals set by management
- ☐ Generate and sustain your company's growth
- ☐ Help build a tradition and culture of performance



Honor Clubs

Annual Best of the Best



Business reasons for developing an Honor Club

- ☐ Clear communication to your team of what elite performance consists of
- ☐ When designed properly the awards are funded by incremental revenue generated by top performers
- ☐ Helps to build a culture where high level performance is recognized



Considerations For Honor Clubs Awards

Annual Best of the Best

Symbolic

- Visible Levels of Achievement
- Real and Perceived Value
- Cultural symbols of elite performance and status
- Exclusive to winners



Examples: *Custom Jewelry | Custom Plaques | Engraved Pens | Medals*



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POLL

How is your organization pivoting your performance recognition program during this time?

- ☐ Nothing has changed
- ☐ Awards have changed from experiential to tangible
- ☐ Using cash more as an award
- ☐ We are cancelling incentives & performance recognition programs



A person is seen from behind, standing in a doorway and looking out at a dramatic sunset. They are holding a black rolling suitcase. The sky is filled with colorful clouds in shades of orange, yellow, and blue. The scene is framed by the wooden door frame.

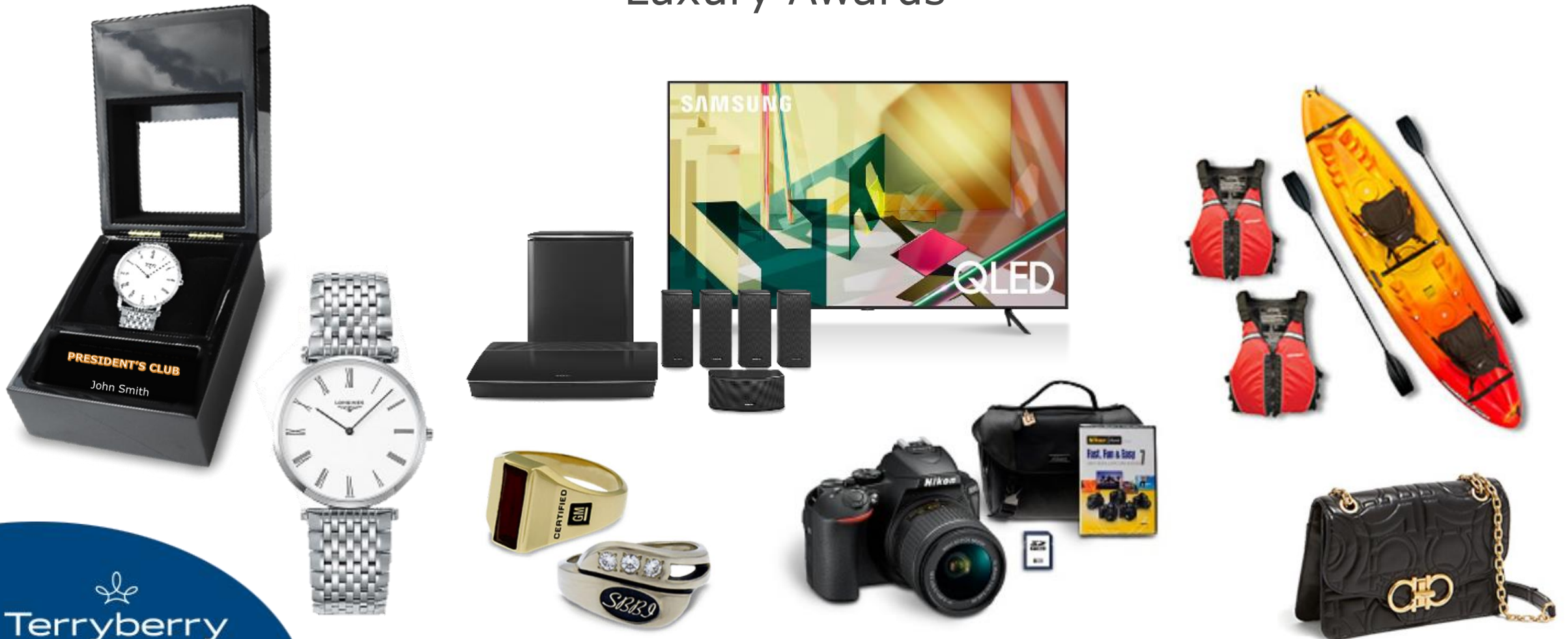
CANCELED

How your award recipients are being ***impacted***.

Considerations For Honor Clubs Awards

Alternatives to Replace your Top Performer Trip or Gathering

Luxury Awards



Sales Incentive Programs

Contests (Short Term)



Sales Incentive programs are:

- ☐ Shorter term initiatives (1-6 months)
- ☐ Focused on tactical/targeted sales goals
 - ☐ Reduce inventory
 - ☐ Fast start in a new quarter
 - ☐ New product/service launch



Sales Incentive Programs

Contests (Short Term)



Why Run a Sales Incentive Program

- ❑ Well designed incentive programs have proven to boost individual performance by **22%**
- ❑ IRF Study: “Incentives, Motivation and Workplace Performance: Research & Best Practices”



Safety Performance Programs

Training | Safety Task Completion | Milestones



Employee Engagement Impacts Workplace Safety

Workplaces with high levels of engagement saw fewer accidents than those with lower engagement.

Specifically, business units among the top 25 percent of engaged workplaces saw **70 percent fewer incidents** than those in the bottom 25 percent.

82,000 business units and 1.8 million employees across 230 total organizations. Gallup 2016

Safety Performance Programs

Training | Safety Task Completion | Milestones



Reward for Completion of Important Safety Activities:

- Safety certification and training completion
- Attendance at safety meetings
- Safety Observation Participation/ Near-miss reporting
- Above & Beyond safety behaviors



Wellness Programs

Challenge Completion | Step Competition



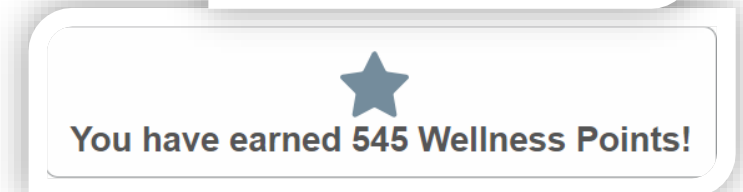
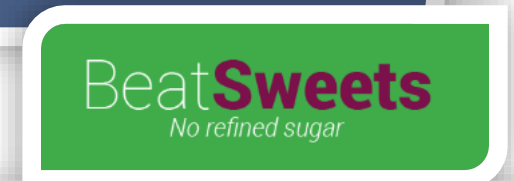
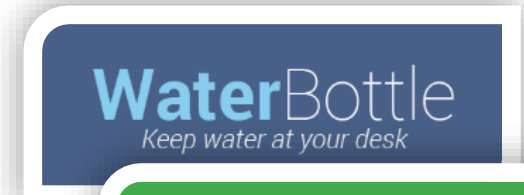
Employee Wellness & Engagement are Reciprocal

85% of companies say wellness programs bolster employee engagement

Virgin Pulse Business of Health Employees Survey Report

Reward healthy behaviors:

- Take a baseline Health Risk Assessment
- Participation in individual wellness challenges
- Participation in company wellness challenges

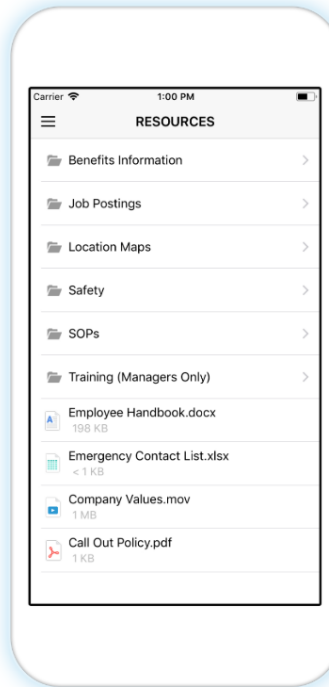


Use Technology to Support Your Framework

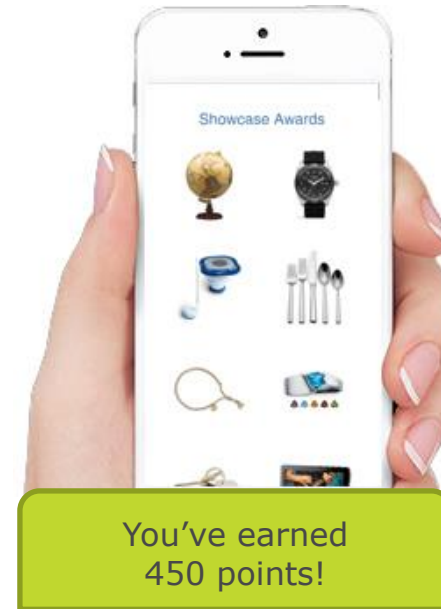
Rewards & Recognition Software



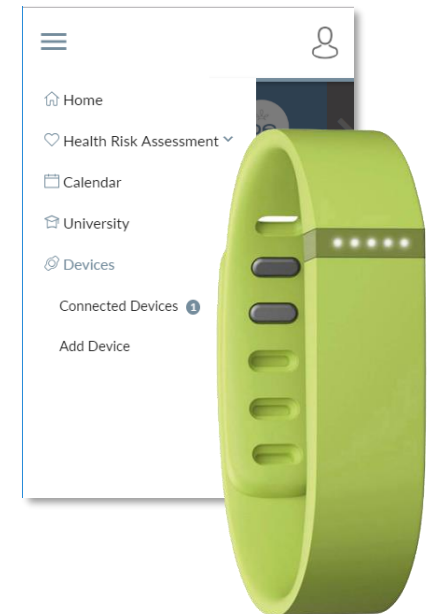
Communication Tools for Non-desk Staff



Points Rewards



Fitness Tracker Integration



What did we learn?

- A comprehensive recognition strategy considers the balance between effective compensation, recognition and incentive programs.
- Consider your strategy for Communication and Measurement when launching a new program.
- Incentive programs are based on **objective performance metrics**.
- Put the appropriate **awards** in place depending on the type of program and your audience.
- Utilize **technology** to support your framework.

QUESTIONS

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This program is pre-approved for
ONE HRCI Credit, and ONE SHRM PDC



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360 Recognition Platform

A single hub houses all of your recognition initiatives and corporate awards from one easy-to-manage platform.

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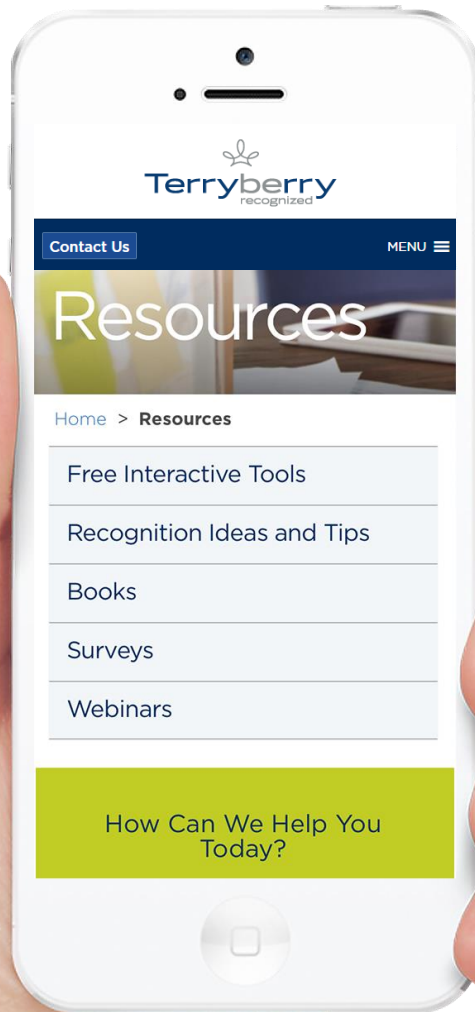
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