



What really increases staff retention?

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Aon Ltd

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Sunday Times 100 Best Companies to work for

Culture - fun, open, supportive
positively impacted by
management style, reinforced
by 'benefits'



Sunday Times 100 Best Companies to work for

Concierge services

Free food

Free gyms

Charity work supported



Sunday Times 100 Best Companies to work for

Flexible reward - bonuses

Shares

Training

Non-financial recognition



“Catch people doing
something right”

*Blanchard and Johnson, The One-Minute
Manager, 1993*



What is Recognition?

“Recognition is the demonstration by human beings that they have noticed and appreciated the actions, achievements and contributions of others.

It is fundamental to humans being at ease with themselves, because it is thus that our very purpose is characterised, worthy or unworthy”

Pitts, 1995



Who values recognition?

- Carnegie (1936) - The single most important factor in dealing with people is to recognise the desire to be important
- Herzberg (1959) - Top two motivators - Achievement & Recognition. It is recognition of achievement that is critical otherwise it is fairly trivial. Company administration - main demotivator
- Maslow (1970) - Esteem needs in Hierarchy



Maslow - Esteem needs

*“...**first** the desire for strength, for achievement, for adequacy, for mastery and competence, for confidence in the face of the world and for independence and freedom.*

***second...**the desire for reputation or prestige (respect or esteem from other people), status, fame and glory, dominance, recognition, attention, importance, dignity or appreciation.”*



People respond to something that costs little or nothing, and that something is called recognition.

Ed Lawler

(quoted in Hale and Maehling, 1993)



One of Seven core leadership skills

“Giving Recognition - is a powerful leadership activity that is not emphasised enough in traditional management styles, and is a key to making strategy work over time... Giving recognition can also be one of the easiest skills to coach.”

Lyons et al, 2000



UK Survey of Managers

A lack of recognition was cited by two thirds of respondents as the main factor that would prompt them to hand in their notice

*The Management Agenda 1999, Roffey Park
Management Institute*



What is a Recognition Programme?

Typically, a non-cash award given in recognition of a high level of accomplishment or performance, such as customer care or support to colleagues, which is not dependent on achievement of a predetermined target.



Recognition Programmes

Informal

Simple, local,
immediate, low key -



Formal

High profile, longer
term, structured -






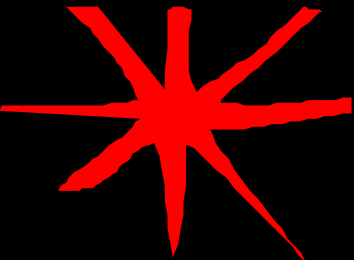
Recognition and Pay

...non-systematic immediate awards
- a tangible way of saying 'thank
you' that is not put forward by the
Personnel Department.

John Harvey-Jones, All Together Now, 1994



Impact of Recognition Programmes

| | Company initiated | Manager initiated |
|-------------|---|---|
| Performance | |  |
| Presence |  | |

McCormick & Ilgen from La Mota, 1995



Non-financial Awards

Help
differentiate
from pay



Better 'memory
value'

Higher
perceived
value

More personal
than cash



British Airways - BRAVO

4 levels:

✈ Thank You

✈ Bravo Gifts

✈ Award for Excellence

✈ Premier Award for Excellence



Thames Water - Values in Practice (VIP)

- To support values in the business
- Anyone nominate anyone; both acknowledged by CEO
- Winners - award plus £1,000 at celebratory event
- Publicity opportunity - living values



Some Golden Rules

- ✓ Look at the fit with other HR programmes
- ✓ Do not try to limit recognition to a quota
- ✓ Do not try to measure the success of a programme by the number of awards made





Some Golden Rules

- ✓ Introduce low-key informal line manager based programme first
- ✓ Do not use specific goals or measurable objectives as the criteria for awards
- ✓ Monitor the programmes and expect to refresh them regularly





Good Practice

RECOGNISING PERFORMANCE

NON-CASH REWARDS

MICHAEL ROSE



- What is the importance of recognising the contribution of your employees?
- How do you design effective programmes to recognise people?
- How cost-effective are these programmes?

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