



RewardGateway
the employee engagement people



Adapting to a Changing Workforce: The Impact of Continuous Employee Recognition



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We'd like to think that billions of dollars spent on something can't be wrong. But as we look at the changing landscape of employee recognition, **it's becoming more apparent that our money is misplaced.** Let's talk about what's right (and what's wrong) in the conversation on recognition.

First, let's get this out of the way:



Over \$46B a year is spent on employee recognition.

(Source: Bersin by Deloitte)

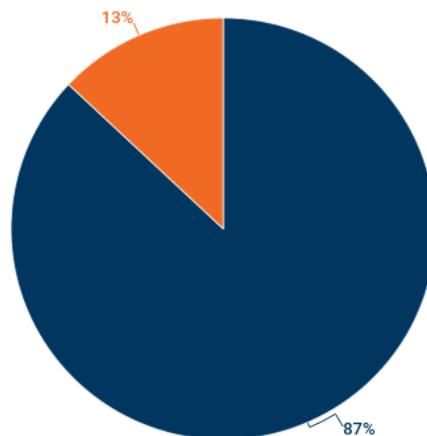
While it could seem like a high number, I'm excited about the overall investment in employee recognition. Investing in recognition is a smart move as it's a vital part of an employee's overall experience at their job, proven to increase satisfaction and engagement. According to a 2015 survey done by Gallup, **82%** of those surveyed called out praise and recognition as a leading factor in helping them improve their job performance. But a different Gallup survey suggests this isn't happening frequently enough: **Only one in three workers in the U.S. strongly agree that they've received any kind of recognition or praise for doing good work in the past seven days.**

Employee recognition is a critical part of employee engagement — it's at the top of our strategic model to building employee engagement, The Engagement Bridge™. Along with other components of the Bridge, investing in employee recognition will contribute to developing a more engaged employee who is more productive, innovative and committed to their company's success. More companies are realizing how critical having employee recognition is to their success, and introducing some sort of employee recognition program into their overall employee engagement strategy.

But are companies investing in the right kind of employee recognition?

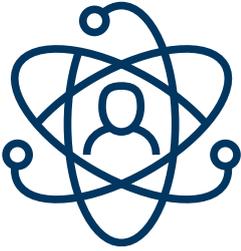
With billions being spent on recognizing employees, the vast majority of that spend (more than **80%**, according to Bersin by Deloitte) is focused on just one thing – awarding employee loyalty. The longer you stay with a company, the higher your reward. This focus has made long service awards the most popular type of recognition used today.

But today's workforce wants something different.



● Employee loyalty ● Other

The next generation of employee recognition is here



Today's workforce has changed. The millennial generation are the largest segment of the workforce today, with 1 in 3 American workers being aged 18-34 years, according to Pew Research. But the average tenure of a millennial worker is just two years, less than half of the average worker's stay of nearly 4.5 years (Source: Future Workplace). And yet, the focus remains on long service awards rather than how to get millennials and other workers to stay for that duration. The short tenure proves that employers are failing at giving millennials what they're looking for, which can be boiled down to three things:

- 1. Working for a company that has a clear purpose, values and mission.**
- 2. Feeling as if they're progressing in their career.**
- 3. Receiving high levels of feedback so they understand if and how they're making an impact on their company's success.**

You're probably nodding your head thinking that yes, this all makes sense. But aren't these desires something that *all* employees want? Instead of breaking it down to millennials vs. non-millennials, let's talk about how we can reward all employees differently so they want to stay, not for the long service award of a shiny watch or big bonus, but for the right reasons - and to make a difference in their organization. How can we keep employees in our corner by recognizing and rewarding them at the right times?

Evolve recognition to embrace continuous recognition

We believe it can be done through continuous recognition, where employees are recognized when they do great things so that behavior is reinforced and reinforces company values. We're out to disrupt the market of long service awards and one-time only recognition initiatives by creating a continuous recognition platform that gives managers and peers the opportunity to recognize each other when it matters most and show that they appreciate their hard work. As one of the product managers at Reward Gateway, I'm constantly evolving our product to

meet these needs, and our next generation of recognition products can help you recognize your employees the right way — at anytime, on any device.

By investing in employee recognition which continuously recognizes their achievements, you can increase employee engagement, commitment, productivity and innovation. And if done correctly, with the right partner to help you on your engagement journey, you might just help today's workforce stay long-enough to receive that long service award.



Learn how Reward Gateway's suite of continuous recognition products for employees can help you build a more engaged and productive workforce.