

# Creating an Effective Recognition Program

Employee recognition programs are critical retention and motivational tools, yet many managers make the mistake of focusing on them only when unemployment levels dip. Regardless of the macroeconomic trends, staff members should be told often and with enthusiasm that their hard

work is appreciated. If they feel their contributions aren't valued, they may decide to pursue employment elsewhere—either immediately or when the job market improves. In the meantime, you may be left with declining productivity levels.

Simple practices such as verbal praise and staff celebrations for project milestones are useful. To achieve the best results, however, consider developing a well-structured program that provides meaningful awards. Research has shown that businesses with cultures that foster professional development and employee empowerment often see the results of their efforts translated into improved financial performance. Here are some suggestions for creating an effective formal recognition program.

## The Structure

Start by considering your primary objective. What do you hope to achieve through acknowledgement of staff accomplishments? For instance, your goal may be to promote teamwork or boost morale following a lengthy project that required extensive overtime.

The most effective reward and incentive programs are available to everyone in a department, from administrative assistants to supervisors. If you only include certain employees—accounting managers, for instance—you may undermine your motivational efforts. Create awards for individuals as well as groups to encourage both indepen-



dent and collaborative excellence.

Careful consideration should be given to the criteria. You want the goals to be attainable through hard work and dedication but not so difficult that they seem impossible. You also don't want to reward employees simply for completing their basic job requirements. While you may be pleased that accounting staff submitted corporate tax filings on time, this is an *expectation*.

Identify specific actions or attributes that would merit an award. If your goal is to encourage your accounting team to work more effectively with other departments, important factors might include proactive communication, a collaborative mind-set during budgetary discussions, and a positive, can-do attitude when responding to requests for accounting guidance. As much as possible, ensure that the criteria are measurable.

Once the standards are developed, apply them consistently. Any individual or team that meets the established goals should be rewarded. If you acknowledge the accomplishments of some accounting professionals but not others, employees will quickly lose respect for the program.

## Financial Considerations

Incentives and rewards don't have to be expensive to achieve departmental or corporate objectives. Several elements greatly influence the budget for your efforts and can be adjusted to suit your unique circumstances. These factors include:

- *Number of participants.* Do you plan to focus exclusively on your

accounting department, or will you also include related teams such as finance and payroll?

- *Duration.* Will the program run indefinitely or for a set period of time, such as a fiscal quarter?
- *Reward.* Do you want to invest in one or two large prizes or provide smaller forms of recognition to many employees? Will the awards be presented informally or at a special ceremony?

If you're faced with a tight budget, there are still a number of effective ways to acknowledge a job well done. For example, you might deliver a letter of appreciation from the company president or provide a framed certificate of achievement. Creative options can also have a positive impact. At one company, the most coveted form of recognition is the "Koala T." Award—a stuffed koala bear that is given to individuals for quality work.

Try to customize the options to suit the personality and interests of each stellar performer to make the reward more meaningful. An accountant who is an outdoor enthusiast, for instance, may enjoy a weekend ski pass rather than front-row tickets to the opera. Consider giving employees several options from which to choose to ensure the reward is valued.

Top performers are in demand in any economic environment, so it's important to make employee recognition programs a constant priority. Develop a fair and well-planned system for providing incentives and rewards, and give thoughtful praise to your staff. You'll help ensure your best employees remain with your

firm as business conditions improve and that they continue to make valuable contributions to your department and company. ■

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