



Achievers

Obtaining Executive Buy-In

For an employee recognition
and reward program

Executive buy-in and support represent one of the most critical success factors for establishing and sustaining an effective employee recognition and reward program. Buy-in doesn't just mean obtaining the necessary budget to implement a new recognition and reward program, but also establishing executive commitment to the strategic vision of the program.

There's no question that an employee recognition and reward program can increase employee engagement and help organizations attract and engage talent. But obtaining buy-in can be easier said than done. HR professionals and business executives tend to have different mindsets when it comes to how they view employees.

Perspective is everything – closing the gap between HR and the business.

HR naturally views people as the organization's greatest assets. However, many CFOs, if they were being truthful, would admit that they view people as the organization's greatest expense.

Both are right. Often, obtaining buy-in comes down to finding ways to bridge the gap between these perspectives.

In order to engage the modern workforce, organizations must recognize employees' efforts and achievements regularly and often. Employees work hourly, daily and weekly, and crave timely recognition. But executives think in fiscal quarters, semiannual, and annual periods.

Aligning disparate perspectives means starting the conversation with executives with examples that help illuminate this difference in outlook. Otherwise it can be difficult to convince them of the need for a program that enables recognition that is frequent and sustained, rather than periodic.

Employee recognition by the numbers

CFOs and business executives rely on quantitative information. In illustrating the value of an employee recognition and reward program, share the compelling research that shows the business benefits of recognizing and engaging employees.¹

However, while the correlation between engaged workforces and financial performance is compelling, use ROI to open up the conversation, not to make the case. It's more important to sell executives on the vision of creating a winning culture of recognition.

Strength in numbers

2.5x

Companies with the most engaged employees report revenue growth at a rate two-and-a-half times greater than their competitors with the lowest level of engagement.²

- For organizations where recognition occurs, employee engagement, productivity and customer service are about 14 percent better than for companies without recognition happening.³
- Companies with effective recognition programs had 31 percent lower voluntary turnover than organizations with ineffective recognition programs.⁴
- Organizations with engagement levels of 65 percent or greater outperformed the total stock market index and posted total shareholder returns that were 22 percent higher than average; companies with engagement levels of 45 percent or less had a total shareholder return that was 28 percent lower than the average return in 2010.⁵

1. See for example: Rayton, Bruce; Tanith Dodge and Gillian D'Analeze. "The Evidence." Engage for Success. November 2012.

2. Werhane, William, and Mark Royal. "Engaging and Enabling Employees for Company Success." Hay Group. October 2009.

3. Garr, Stacia Sherman. "The State of Employee Recognition in 2012." Bersin by Deloitte. June 2012.

4. *ibid.*

5. Aon Hewitt. "Trends in Employee Engagement". Aon Hewitt. 2011.

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Selling the Vision

What can HR do to sell the vision of a recognition and reward platform to the CFO and business executives? Three things:

1. Make a point

Online, points-based recognition and reward platforms allow employers to zero-in on the key values, behaviors and results they want to drive, making the impact and effectiveness of the program transparent.

Employees accumulate points based on being recognized for the employer-defined criteria, and can then redeem their points for rewards of their choice – electronics, travel, tickets to events, you name it – from an extensive online catalogue. Executives “get” points-based solutions – just think of the popularity of frequent flyer programs.

2. Set the scale

Another benefit of a recognition and reward platform is that key metrics are tracked for real-time analytics and reporting. Every recognition, reward, inquiry, and transaction is logged and reportable providing extensive data and insight. Administrators can easily see how the recognition program is trending, identify top performers, make correlations with business objectives, track their budget and automatically create reports for senior management.

3. Save time and money

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By automating key processes and consolidating disparate initiatives, HR resources are freed to focus on other strategic initiatives. In many cases, existing budget can be reallocated from ineffective, costly, high maintenance do-it-yourself incentive programs, years of service programs or year-end cash bonuses. This money can be better spent on year-round recognition that focuses on continual engagement, repeated positive behaviors and sustained performance.

It all adds up to success

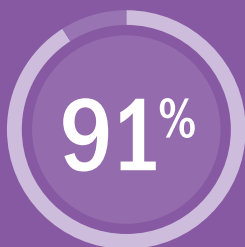
The discipline of people management has come a long way since the days when HR was viewed as the payroll and personnel people. Employee engagement represents the future of HR, where human resources professionals will play an even greater role at the decision-making table.

In *Winning*, their 2005 international bestseller, Jack and Suzy Welch share perspectives on people and teamwork based on Jack's 40-year career at General Electric. Welch writes, "Without doubt, the head of HR should be the second most important person in any organization. From the point of view of the CEO, the director of HR should be at least equal to the CFO." The former CEO of GE asks, "If you managed a baseball team....Would you listen more closely to the team accountant or the director of player personnel?"

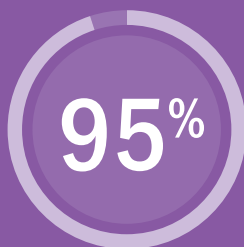
One thing that HR professionals and business leaders can agree on is the importance of attracting, retaining and cultivating top talent. An employee recognition and reward program that has the buy-in and support of business leaders can transform your corporate culture, make your organization a great place to work, and build your brand as a top employer.



Achievers delivers an Employee Success Platform™ that enables social recognition, which dramatically increases employee engagement and drives business success.



Client Retention



Member Satisfaction



User Adoption



110
Countries Serviced



77
Net Promoter Score

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