Why Points are Beneficial in Recognition Programs

RECOGNATION®

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About Points

A quick overview of points and how they are utilized in recognition programs to engage employees

What are points?
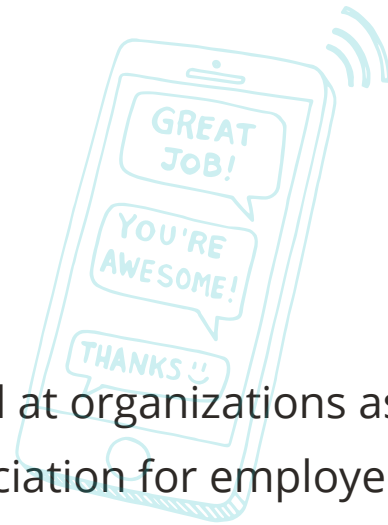
Points programs are implemented at organizations as a tool to recognize or show appreciation for employees by offering them points. Points have a monetary value attached to them, so they provide a tangible form of acknowledgment. It's a great way to amplify shout outs and thank yous.
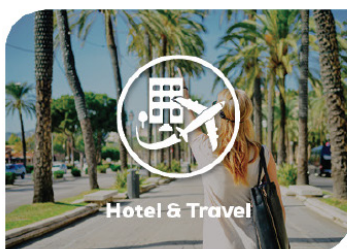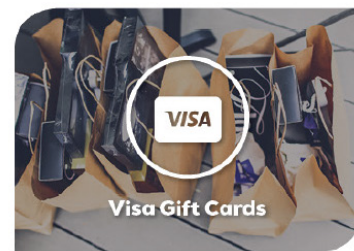
They can be awarded for service anniversaries, uploaded by managers, attached to eCards, and given peer-to-peer in social platforms. Points are versatile and can be redeemed in a multitude of ways.
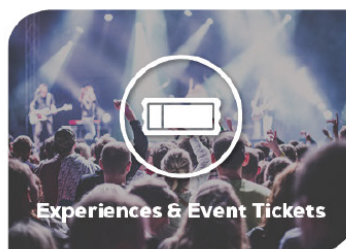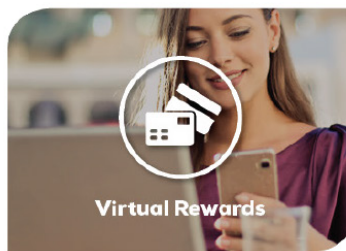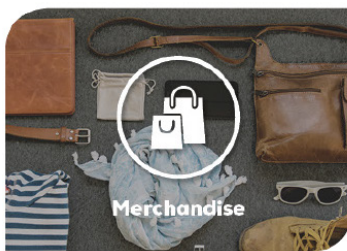
Merchandise

Virtual Rewards

Visa Gift Cards

Hotel & Travel

Experiences & Event Tickets

Charity

The Impact of Points

Three ways points positively impact
employees and your organization, as
revealed in survey research

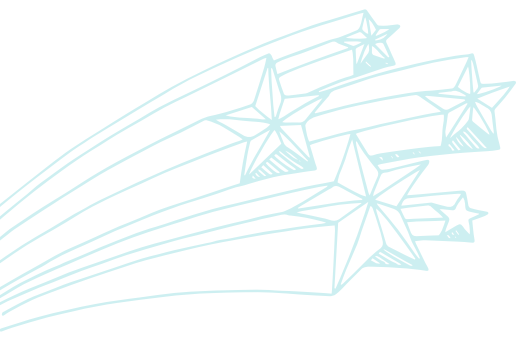# Higher Intrinsic Motivation

Intrinsic motivation comes from within. It is when we are motivated because we enjoy a task or find it rewarding. Employees tend to be intrinsically motivated when they have autonomy over tasks, see the impact of their work, and feel challenged yet confident in skills.

The IRF conducted a **survey** to compare employees at companies with points programs versus those at companies without points. They found employees at companies with points were much more likely to agree their "work makes a difference" compared to those without points. Points are a way to emphasize the impact of people's work daily. These employees find themselves more intrinsically motivated with a higher sense of purpose at work.

To learn more about how to create intrinsic motivation, check out our motivational theory guide here!

Higher Organizational Identification

The survey also revealed that employees at companies with a points program are more likely to identify and align with their organization. They may even define themselves by their employment at said organization. Organizational identification is associated with benefits such as:

- **Greater sense of belonging**
- **Greater performance**
- **Reduced turnover**
- **Less managerial myopia (tendency to obtain short-term gains rather than long-term profits)**

These employees are also more likely to see their employer's success as their own success. When they believe company success is their own, they are more likely to be satisfied and more likely to be committed to your company.

Higher Employee Engagement

The cherry on top is increased employee engagement. This refers to the extent to which employees dedicate physical, cognitive, and emotional energy towards their work. Employees at companies with points were more likely to agree with the statements "I am enthusiastic about my job" and "I am immersed in my work."

Engaged employees are more productive and they drive greater customer satisfaction and financial performance. Not only are your people enjoying their work more, but the work they are doing is a greater contribution to your overall business.

Note: **The study finds points most effectively engage employees with less work experience as well as employees at smaller organizations. But that doesn't mean more experienced employees and bigger organizations cannot also benefit.**
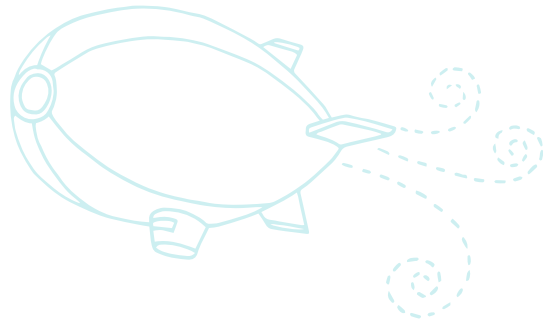
The Utility of Points

An overview of why a points program, specifically points bucketing, is useful and effective in the workplace

Far-Reaching

Points go **beyond star performers**. Many recognition programs are designed to only reward the top 10% of the workforce. On the other hand, points programs can often reach nearly 100% of your people. You can praise everyone's efforts more often because points can be given in smaller increments on a daily basis.

In addition, points go **beyond managers.** Recognition can be given peer-to-peer rather than only given out by managers. Peers often have better visibility into the daily moments that deserve to be acknowledged. That means they can fill in the gaps for what managers miss. Plus, having the power to recognize one another is empowering and inspiring for employees themselves.

With these two combined aspects, you can motivate and improve performance across a much larger group.
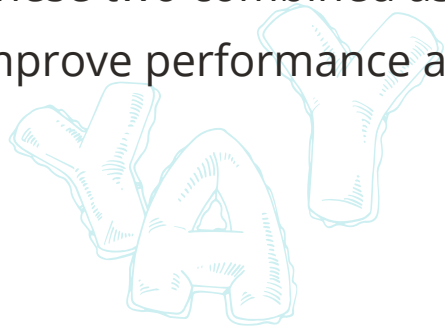
Points Bucketing

A theoretical breakdown of peer-to-peer points bucketing to visualize the distribution and reach of points

500 points/month

4,000 points/month

2,000 points/month

1,000 points/month

| CEO	CFO	Director	Employee
			Employee
		Director	Employee
	COO	Director	Employee
		Director	Employee
			Employee
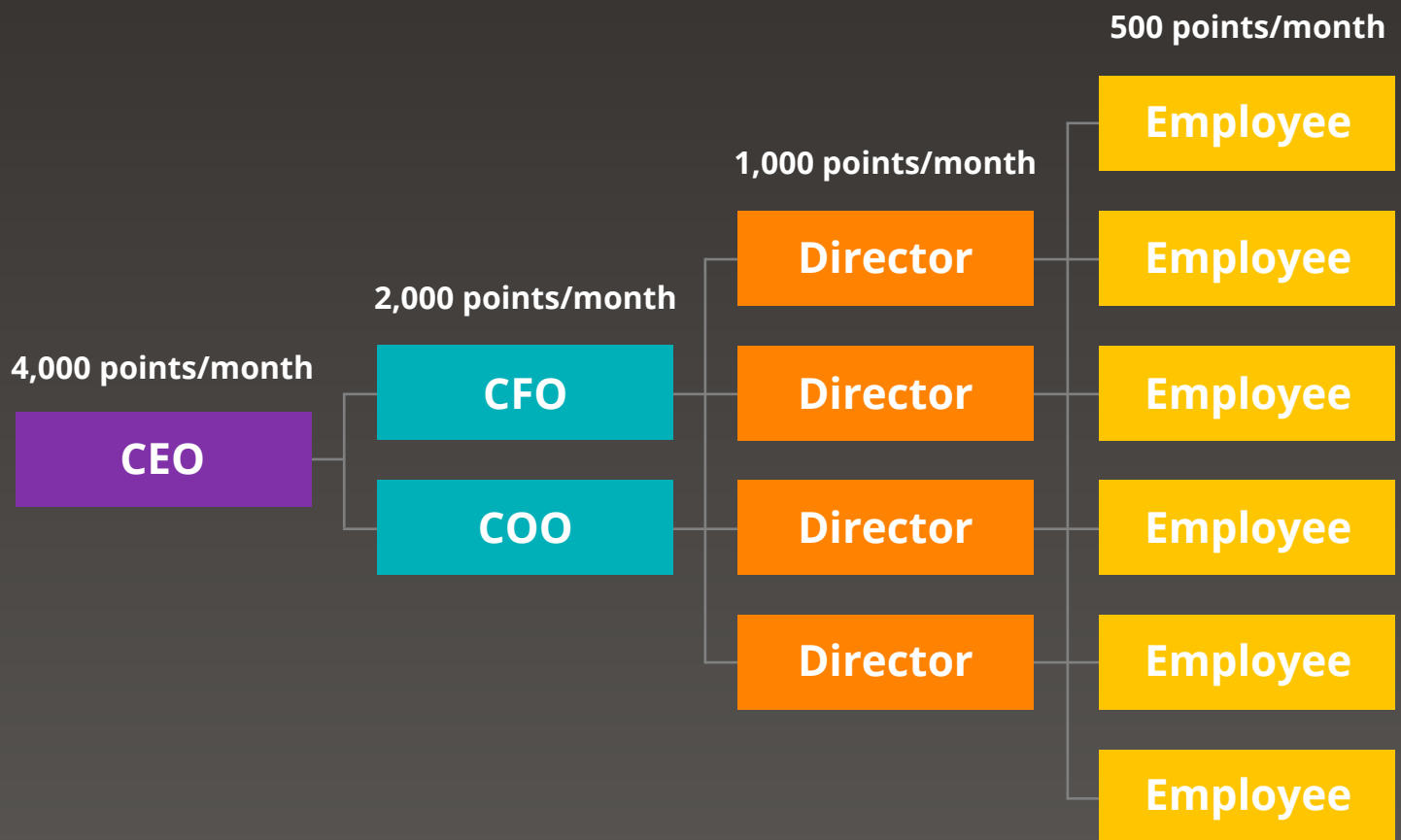
In this scenario, front-line employees are allotted 500 points each month to give recognition. As employees are higher on the org chart, they are allotted more points to give each month since more individuals fall under their leadership. Points can then be given by anyone to anyone else in the organization.

Flexibility

Recognition isn't one size fits all. Points allow flexibility so you can **appeal to all employees**. They can be redeemed for travel, merchandise, cash, gift cards, and more. The options are virtually limitless, so everyone can redeem them in a way that excites them.

Flexibility also comes in handy for **integration**. You can integrate points platforms with HRIS, ERP, and other workforce software. In addition, you can tie points and points programs into any specific organizational and team initiatives you want.
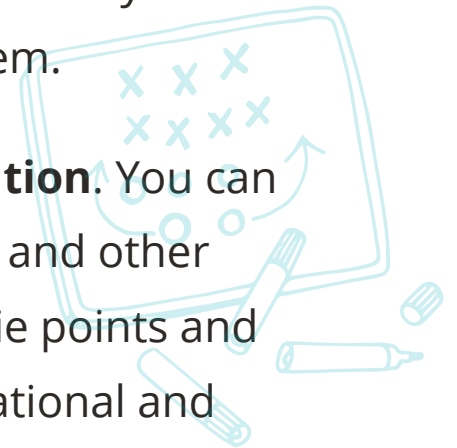
For example, an HR leader promoting referrals can use points to enhance rewards for employees who give referrals. For leaders looking to instill company values into their culture, points can be used to positively reinforce behaviors that are linked to each core value.

What's Next?

We help organizations create a program with a holistic approach to recognition. Points bucketing, formal service awards, a tech platform for daily engagement - We do it all.

We love enabling organizations to shine a light on all the moments that matter. Partner with us!

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