



BY ROY SAUNDERSON,  
PRESIDENT AND FOUNDER,  
RECOGNITION MANAGEMENT  
INSTITUTE

# Trends Impacting Motivation, Recognition and Rewards

**H**ere are some motivation, recognition and reward trends for you to consider along with their impact on your organization.

**Generational Differences** – There are four generational groupings possibly working together where you work. Categorical names vary: Matures or seniors are usually in their late 60s; the majority of people are Boomers ranging from 44 to 62 years of age; the Generation Xers trail right behind with the 30- to 43-year-olds; and, finally, the Nexters or Millennials are those 29 years old and younger.

**IMPACT:** There are different motivations for each group. Facilitation of these groups in working together and respecting one another will help. There is a need for better customization of recognition to fit each respective grouping. Improved understanding of their respective values, their differences as well as the commonalities, will be needed.

**Performance Incentives** – With ever-increasing global competition, higher productivity and performance demands will be on corporate agendas. Rewards and recognition will become more aligned with company, divisional and individual performance outputs.

**IMPACT:** Greater accountability procedures and better measurement of performance results are necessary. Incorporate a recognition strategy aligned with overall business strategy and objectives. More involvement by senior leaders will help them appreciate the impact a recognition strategy can have on their business.

**Health and Wellness** – The constant double-digit increases in health care costs necessitates businesses focusing energies on reducing these costs and creating a healthier work force. Higher employee participation in risk assessment and health and wellness programs will be expected by companies. Incentives will be used widely to reinforce participation and especially will be targeted to those at greatest health risk.

**IMPACT:** Health management programs using incentives can reduce health care costs by double-digit figures. Incentives with an established health and wellness program already are improving participation in health risk assessments. Commitment will be required by senior leaders and human resource personnel to investigate the ideal programs for their needs.

**Greater Management Involvement** – There is big buzz about employee engagement. Employee engagement includes developing positive relationships, especially with the employee's immediate supervisor/manager. At the same

time, supervisors and managers are expected to produce more with these same employees.

**IMPACT:** Supervisors and managers will need to become better leaders in order to be successful. A need for ongoing and consistent leadership and supervisory training will necessitate improved in-house training or partnering with local colleges for instruction.

Workload and staffing issues evolved from past downsizing and restructuring will have to be re-examined.

**Return of Investment of Recognition** – Senior leaders will want to know how rewards and recognition can make a difference. There will be expectations to hold recognition budgets accountable in producing results.

**IMPACT:** Regular assessment and measurement of performance indicators such as customer and employee satisfaction, as well as key business performance indicators will be required to prove ROI. Better tracking methods and use of technology to do this will be essential as will working more with finance or accounting to monetize numerical measures.

**Recognition Training** – Rewards and recognition will become an essential tool in the employee retention battle. Giving employees recognition comes with a bunch of myths for the reasons we don't do it. There's also an issue in that leaders are not learning how to do it correctly. Recognition giving to employees is multi-directional and not owned just by managers and supervisors. All are employees and deserve to be acknowledged and valued for their contributions.

**IMPACT:** Training people to give and receive recognition must be mandatory for managers and supervisors and then open to all employees. Work demands will necessitate using all training mediums from in-class workshops to Webinars over the Internet.

**Pay for Performance** – More employers will be utilizing variable and various pay-for-performance procedures to help retain top and high-performing talent. Some of these structures will be short term and long term, equity-based and cash-based.

**IMPACT:** Better employee performance procedures will be needed to identify different types of talent within an organization. Talent management will be needed to maximize skill sets and knowledge to fit business segments and objectives. **R&G**

*Roy Saunderson is a leading expert on employee recognition. Recognition Management Institute, a Rideau Recognition Solutions company, specializes in consulting and training leaders on how to give "Real Recognition™ for Real Results." For further information, call 877-336-9601 or visit [www.RealRecognition.com](http://www.RealRecognition.com).*