

# The **power** of tangible rewards, points, and profitable employee relationships.



The employee-employer relationship has dramatically changed. Today, employees hold more power than ever and have greater expectations than in previous years. With these elevated expectations, the need for organizations to rethink their recognition strategies is imminent. And the power to improve the employee experience and create profitable employee relationships is **100% achievable**.

## The power of tangible rewards.

A new study just released from Runa, found that only 30% of employees are satisfied with the type of rewards they receive at work and how they are administered by their company. But more dramatic is the statistic that 65% of employees feel that rewards are key in their decision to remain with their employer! In today's business climate, companies must recognize the impact that rewards have on employee retention and business success.<sup>1</sup>

From our experience and our clients' business results, we know that tangible, non-cash rewards do a better job of attracting and holding employees' interest, getting them excited about possibilities, and motivating them to act in a way that meets business objectives. The theory is that, while cash is nice, and usually needed, the participant feels more "rewarded" when they receive something they have long wanted or may not have acquired otherwise. Tangible rewards create a more meaningful, positive, memorable experience. Creating memorable moments with memorable rewards will build momentum, engagement, AND meet the changing expectations of the workforce today.

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of employees are satisfied with the type of rewards they receive

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# Why tangible rewards work

- Provide a personalized experience
- Offer a clear distinction from compensation
- Satisfy wants rather than needs
- Do not become an entitlement
- Incorporate “trophy value” and social pride

## The power of points – the power of choice.

Consumers love loyalty programs and...employees are consumers too. The use of points programs in the employee space is a great way for companies with multiple initiatives to align, integrate, and streamline processes into a comprehensive strategy on a single platform.

The goal within a points-based reward strategy is providing ample opportunity for employees to earn enough in the program so that the goals of the organization are continuously reinforced. This creates the continuous positive reinforcement that leads to success on both a personal and organizational level. As the progressive equity grows, engagement is increased as the employee earns more points and redeems for more rewards. Further, points-based programs allow the recipient the ultimate power of choice in selecting an award most meaningful to their lifestyle. In turn, the redemption experience also becomes an additional recognition moment further reinforcing the reasons why the employee was recognized and rewarded.

Whether you start with a single program or multiple initiatives, a strategy of recognition and appreciation supported with a simple technology hub and insightful measurement can meet your strategic goals. **We've seen clients return over \$2M in cost savings, while increasing their retention and engagement by almost 10%.**

## The power of profitable employee relationships.

We've always believed in the value of investing in a recognition strategy – you've seen the results as mentioned earlier – but the benefits beyond engagement and retention are numerous.

“With salary budgets becoming even tighter, more organizations are wisely looking to a total rewards approach to attract, retain, and engage their workforce. The spin-offs of promoting **a culture of employee recognition** includes benefits such as stronger leadership skills, improved team-building practices, and the **promotion of positive employee relations**—all of which will make the organization an even better place to work.”<sup>2</sup> Additionally, an effective strategy will capture and hold the attention of your employees... no matter what passes by...ensuring your investment yields the right ROI.

<sup>1</sup> <https://www.prnewswire.com/il/news-releases/runa-study-demonstrates-enduring-popularity-of-rewards-and-loyalty-points-but-reveals-misalignment-between-consumers-and-companies-301815697.html>

<sup>2</sup> <https://www.qualitymag.com/articles/96275-recognition-power-recognizing-efforts-supports-excellence>

