

# Recognition Program Talking Points

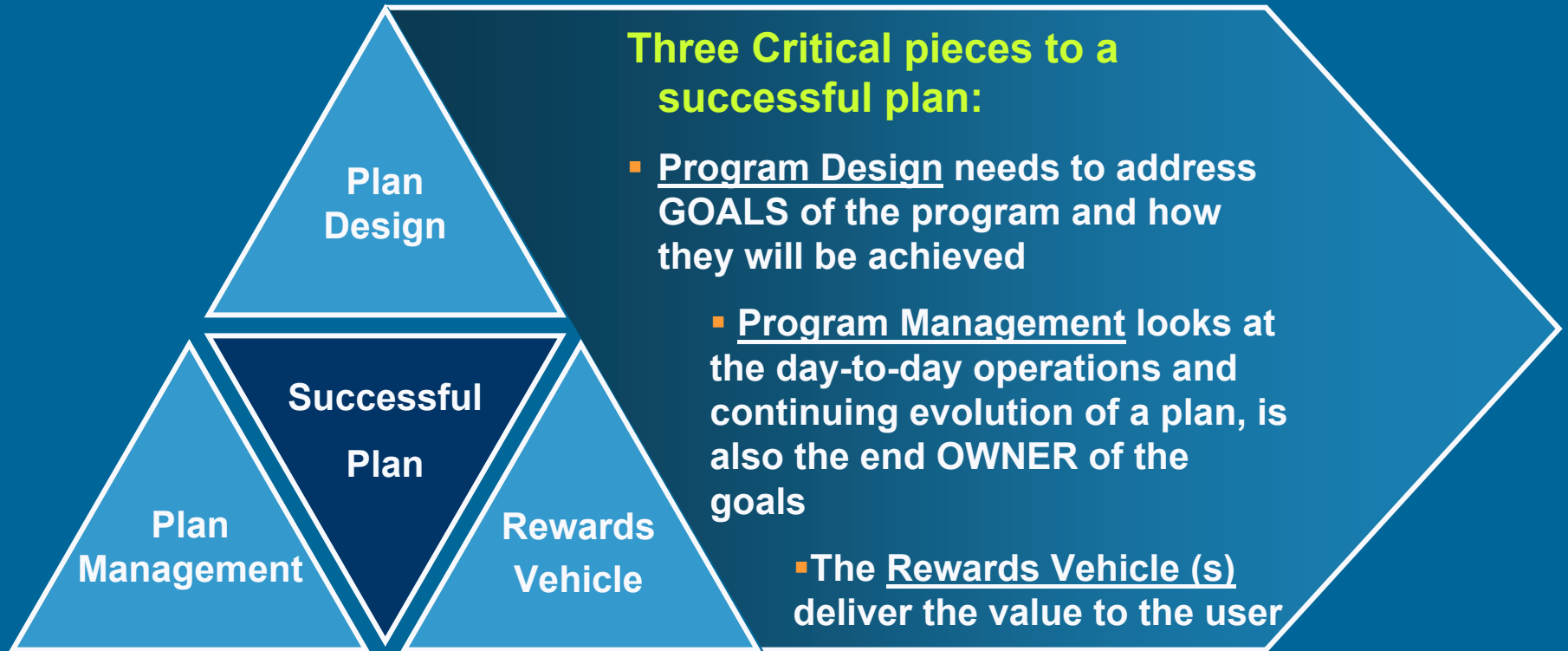
The Art and Science of Successful Programs

Jason Fisher



- ▶ Background
- ▶ Elements of a Successful Plan
- ▶ Program Design
- ▶ Plan Management
- ▶ Rewards Vehicle
- ▶ Blending Art and Science
- ▶ Measuring ROI
- ▶ Case Study, Example

# Successful Plan Elements:



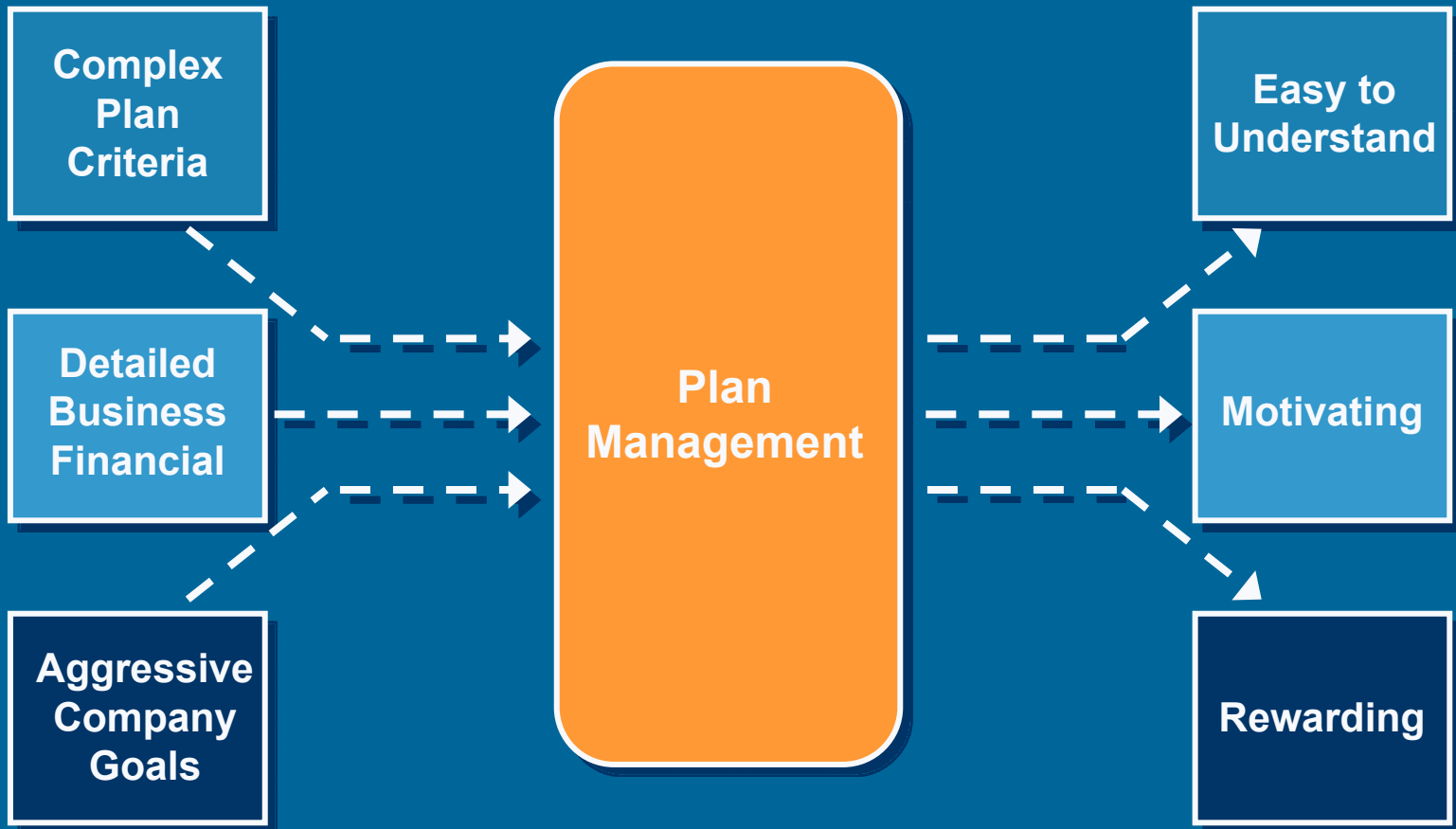
# Plan Design Stages



- Do X, Get Y
  - Sell this, get that
  - Buy one get one free
  - Basic Rewards plan, no link to business drivers, financials, customer / employee value, corporate mission etc
- The same as Basic but incorporating more “rules” – qualifiers, (disqualifiers), fine print etc.
  - Do X, Get Y, If – a,b,c...
  - Evolved to addressing shortfalls in the Basic Plan. More COMPLEX, Less Rewarding
- Incorporating short and long term Goals, Corporate vision, Customer / Employee Loyalty, sound Business Risk modeling
  - Complex components for plan managers to manage, and make EASY for end users
  - Must be evolving, and be tied into all aspects of key business measures



# Plan Management Function



# Rewards Vehicles

## Primary

- Stable
- Regular (monthly)
- Built on main components
- Automated if possible

## Secondary

- To balance out primary vehicle
- Add flavor to Rewards Mix
- Less Frequent
- Linked to less tangible measures

## Random

- For Fun
- To Close Gaps quickly
- Keep Spontaneity in plan
- On a basis Judgment, infrequent to retain impact

## Vehicles Types

- Cash, GC's, Re-loadable card etc.
- Items, Merchandise, trinkets
- Trips, ice cream, diner, BBQ, flowers

# Idealized Rewards Program Business Flow



# Rewards Plan Design : Conflicting Plan Components

## A Blend of Art and Science

### Business Metrics to include:

- ROI
- Resources to manage
- Cost to Implement / Run
- Company Values

### Business Metrics



### Customer / Employee Experience

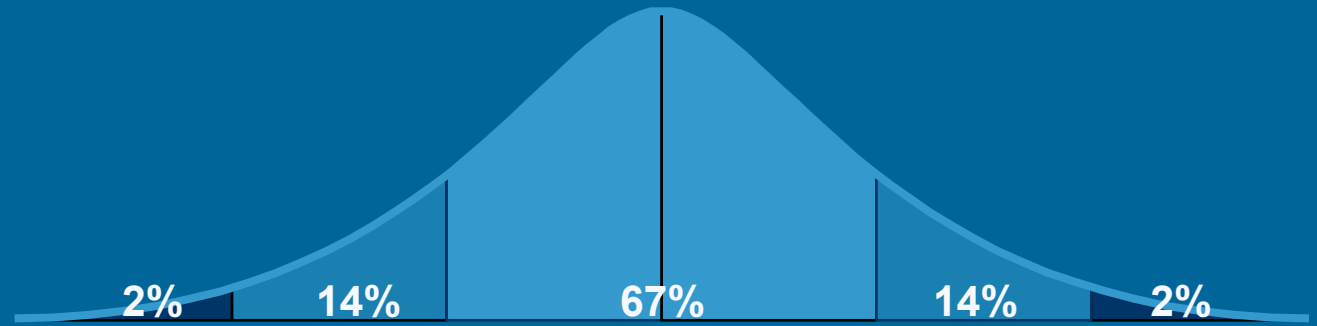


### Customer / Employee Issues:

- Building Loyalty
- Motivation and Stimulation
- Feeling Valued
- Being part of the Process



# Measuring Success: Normal Distribution



Measure	Awful	Weak	Average	Strong	Brilliant
Sales Performance					
Quality Performance					
Plan Performance (ROI)	<1:1	1:1	1:3	1:10	>1:10
Plan Performance (Employee Satisfaction)					
Other					

# Case Study

1. An Established business is having a problem with employee attendance. The yearly average attendance in a month is 89%. Each percentage point represents approximately \$1.2 Million in lost revenue, wages, benefits, productivity etc.

A detailed plan is put forth to pay employees who have perfect attendance monthly on an escalating scale, rewarding employees for overachieving attendance standards

## Issues Raised:

- We already pay employees to come to work, why pay again?
- Potential earnings can be significant over a year or more, what if these employees are not producing? Will we pay them just to show up? Should there be a performance qualifier?
- This sets a bad precedent of paying to address problems, what will we do next time?

How do you address these concerns and make a decision on what to do?

Know your corporate goals and vision, understand the Business risks of all options, Own the results



# Contact Information and Additional Services

## Questions and Feedback

**Jason Fisher** provides Rewards and Recognition consulting work for both large fortune 500 firms and several smaller businesses as well.

If you have any questions or feedback from the presentation and or Rewards and Recognition planning, Customer Loyalty Programs, Compensation Design and Event Management, Jason can be reached at [bucephalas@sympatico.com](mailto:bucephalas@sympatico.com) Also, please feel free to contact Jason via the IMA organizers with questions, comments or feedback.

**Good Luck with your Programs!**

