The One Way to give Staff Rewards and Gifts for Employees

Do you want to improve employee engagement? Understand the importance of staff rewards and giving back to the people who do the work. The workforce is the bread and butter of an organisation's success, and without it, any enterprise is doomed to collapse. So why is it that so many companies fail to realise a brilliant employee engagement programme is an absolute necessity to drive productivity and prosperity?

Rewards management is a key component to a healthy employee engagement strategy (and great for customer engagement too).

Let's take a closer look at reward management and employee engagement.

Defining reward management

Wikipedia refers to Michael Armstrong and Helen Murlis's definition of 'reward management' as "the formulation and implementation of strategies and policies that aim to reward people fairly, equitably and consistently in accordance with their value to the organization." It involves employee 'remuneration,' 'compensation' and 'benefits,' and includes perks, gifts and rewards.

The history of employee reward schemes

According to HRO Today, Jay Whitehead writes "the first recorded act of employee motivation" was 2600 years ago, in 538 BC, by Cyrus the Great of Biblical fame from the book of Daniel. Before him were the kings Nebuchadnezzar and Belshazzar, the latter of which came to a sticky end when the Medes and the Persians (Cyrus, in partnership with Darius), overtook Babylon.

Cyrus, as the new ruler, and wanting to rebuild the Temple in Jerusalem, used positive recognition in the form of a ceremony for the construction workers, consisting of a pat on the back, a well-deserved drink, and a coin bonus. This was a much better approach to take than what so many of the operations workers received throughout history for their back-breaking labours (before unions and worker's rights were established).
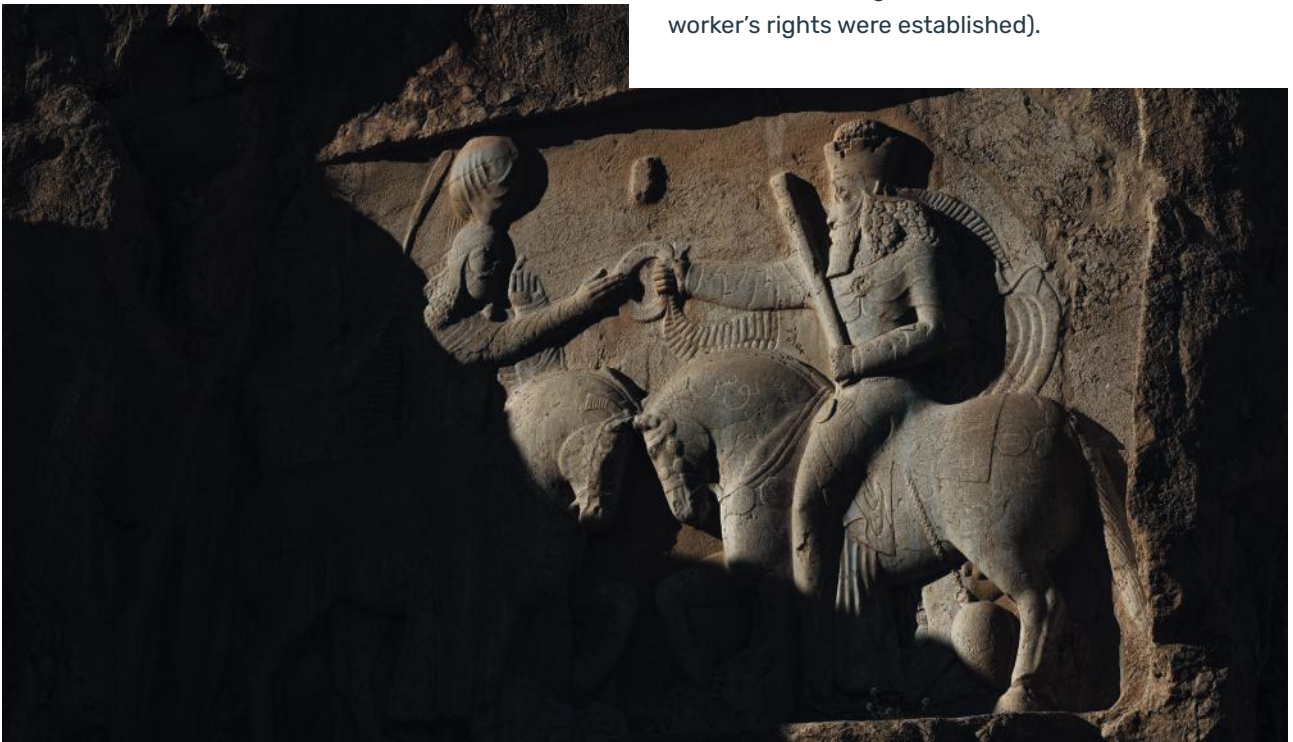
Some historical facts

John Henry Patterson (1844–1922) – He gave his employees a toxic workplace culture – He was known for inflicting a tight control over employees with unorthodox methods, such as making them "follow his own fad diet regimes" and his sadistic practice of firing and then rehiring workers just to destroy their confidence. (See workhuman blog by Darcy Jacobsen.) But Patterson had nothing on those to follow…

Rulers by extension are bosses. They employ scores of people, whole villages and more. Let's explore a few sovereigns and leaders known for their labour force 'achievements'.
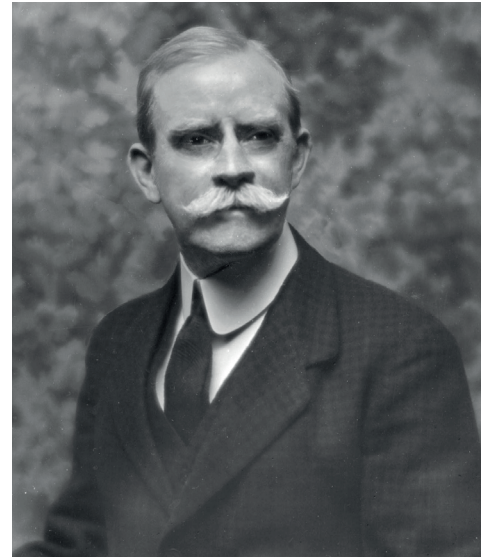
Some not so stellar examples of employers from the past

‣ Qin Shi Huang (259–210 BCE) – Known for the Qin Terracotta Army and the Great Wall of China, he ruled through terror and inflexibility –he had an obsession with control, and after failing to censor scholars and free-thinkers by burning books, he had them buried alive. (That'll shut them up.)

‣ Queen Ranavalona I of Madagascar (reigned 1821–1861) – instead of taxes, the Malagasy people were forced to perform hard labour as and when she required it. Also, her half-witted scheme to build a road in front of her buffalo hunting party so they could travel in style has an estimated price tag of a 10,000-person death toll. She was said to have halved her country's population during her reign. (Luckily, she only ruled for 40 years, otherwise who knows what she could have accomplished?) (See this HistoryExtra article for more.)

‣ Ivan IV 'the Terrible' (reigned 1547–1584) – Although, the Night at the Museum movie franchise played him off as not so 'terrible', at the age of 13, he was reported to have had a noble eaten alive by dogs, and eventually forced millions of Russians into serfdom. He had a personal vendetta against the city of Novgorod, so he sacked it and massacred its citizens. He even killed his own son in a crime of passion. (Good one, Ivan!)

‣ King Leopold II of Belgium (reigned 1865–1909) – turned out to be 44 years too long. Basically, he set up the Congo Free State, a "model of liberty and prosperity" but it turned out to be a slave-hold state for Leopold's personal gain as he raped the Congo's natural resources. He used the mutilation of women and children as punishments for his workers if they didn't meet their KPIs too.

‣ Murad IV, Sultan of the Ottoman Empire – You wouldn't want to be under his employ. He had many an advisor and high-ranking military officers executed. He was fond of strangulation and impaling as methods of punishment. And worse, as if banning coffee and tobacco wasn't bad enough on the workers, it was a capital offence to consume them. (My 'No coffee, no workie' desk sign wouldn't have been a big hit then.) (See this Factinate blog for more info.)

‣ Genghis Khan – for killing 11%of the world's population during his reign, and it is said he would use hostages as human shields during battle. He also liked to crush his nobles to death by placing a board on top of them and then throwing a party on top of them until they succumbed to death. He had a penchant for wiping out entire cities, and once he poured molten silver into a man's ears and eyes instead of just giving him the silver as a thank you. (See Ranker for more titillating facts.)
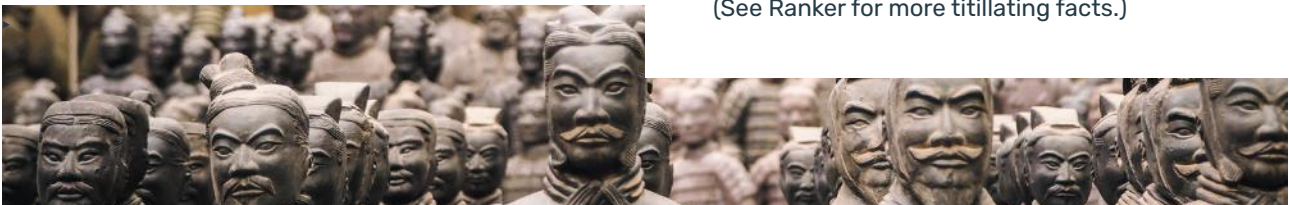
Others, we can thank:

‣ Emperor Rudolf II (1576–1612) – for his leadership toward causing the 30 Years' War

‣ A blanket thank-you to all the Roman Emperors, especially Commodus and Caligula, for their renowned cruelty, debauchery, and sadistic rule (power twins second to none)

‣ Tamerlane 'the Great', for his live skin peels, and his 100 towers of skulls made from 90,000 beheadings (he was a busy boy)

‣ And a special shout-out to Attila the Hun, Adolf Hitler, Benito Mussolini, and Joseph Stalin.

The world didn't appreciate the 'genius' behind negative reinforcement, especially once the workers' rights movement took hold.
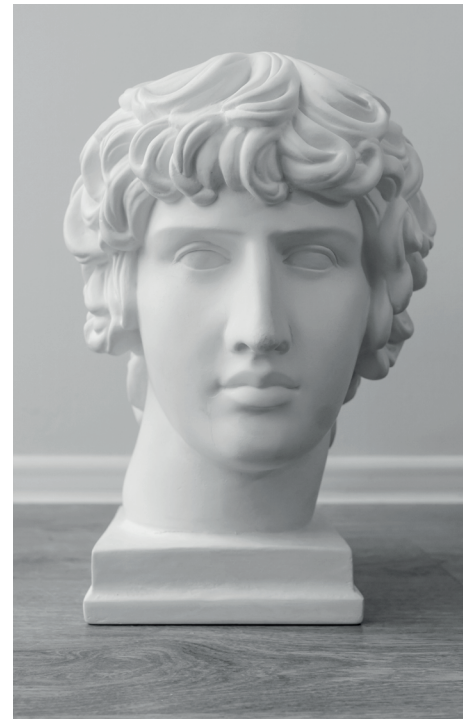
From punishment to rewards

Thankfully, our current model of society and employment, at least in the developed world, affords us a more stable environment when it comes to the likelihood of our employers killing us thanklessly or not.

The modern-day idea of rewarding employees stems from psychoanalytic roots and behavioural psychology. Sigmund Freud is the craziest mind we must grapple with in this school of thought. And now, motivation is closely related to performance and reward instead of fear.

Another excerpt, from the Wiki article, defines 'motivation' as "the degree to which an individual wants and choose[s] to engage in certain specific behaviours", to which Vroom (quoted in Mitchell, 1982) **"adds that performance = ability x motivation."**
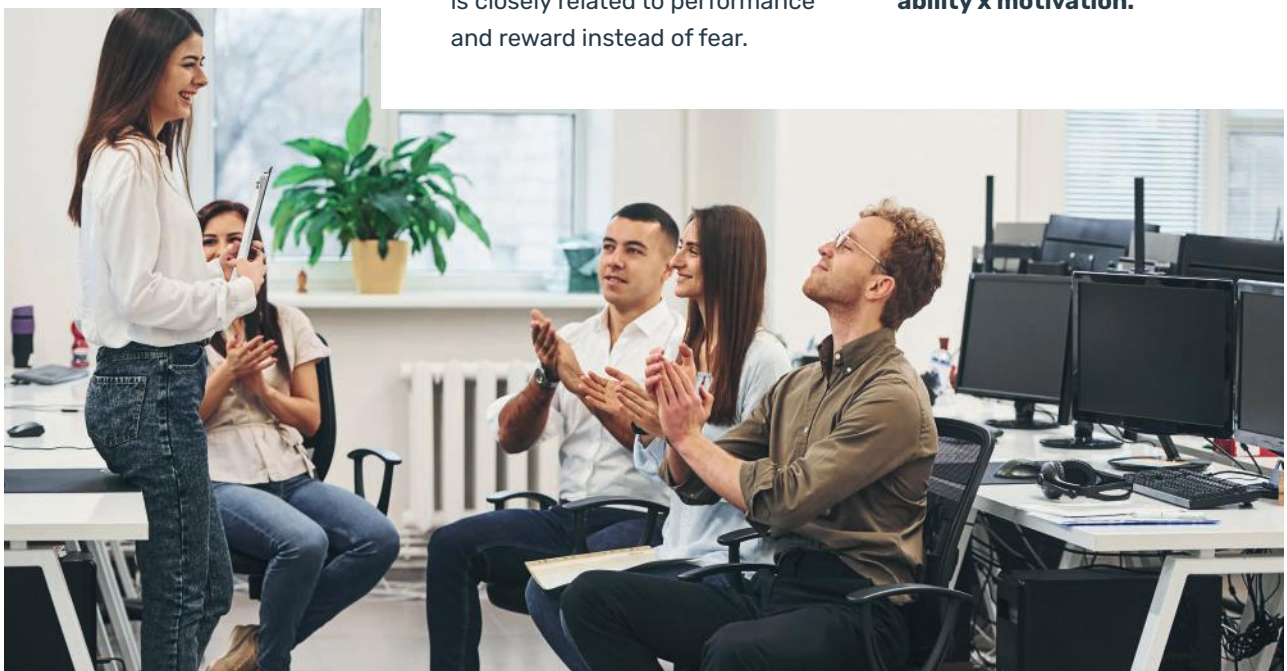
Associated terminology

The term 'workforce' has several synonyms connected with the concept of the individual and the collective group: worker, labourer, toiler, staff and staffer, doer, working-class, 'blue-collar' and 'white collar', workingman, then also workingwoman, co-worker, employee, apprentice, intern, executive, boss, and the more equitable colleague and personnel.

Some slang terms are nine-to-fiver, serf, plebe, dogsbody, grunt, roughneck, grub, peon, drudger, probie, errand-boy, stooge, and pen/paper pusher.

And other terms have fallen into disuse, have lost favour, or are now considered non-kosher within a more evolved society, like superior, inferior, gimp, and servant. However, 'slave' is a more glaring example of historically dark and unsavoury cultural connotations.

So why do some workplaces still treat their employees with a slave-driver mentality? And why is there still such a major imbalance in workplace cultures today? (One might also ask the hard question: why are there still known hard labour camps and 'slavery' present in some societies today?)

Consider 'that old chestnut' attitude of 'Why should I have to thank my staff for doing their jobs when that is why they are here in the first place?' This mentality needs to be eradicated swiftly from the organisation and management culture. It might sound like a shocking sentiment, but it is prevalent in the working world and equates to nothing less than a toxic culture.

The psychology behind rewarding your workforce

Human psychology is deeply rooted in the history and concepts of reward and recognition. You could argue it is synonymous with 'animal' psychology or, at least, closely related, (hence we have such terms as worker bee and drone, workhorse, computer monkey and lab rat, and the less savoury term, being someone's bitch,). Therefore, animal psychology is an interesting and apt topic to mention in correlation with the workforce. After all, animals still feature as 'employees' in some fields of work, like labs, movies, farms, among others.

In an abstract for a psychology paper featured on ResearchGate, 'The importance of reward-evaluating mechanisms for animal welfare,' (van der Harst and Spruijt, 2009), "states that welfare is determined by the balance between positive and negative experiences. This implies that an interaction exists between stress- and reward-systems in the brain." It hypothesises that there is a direct correlation between negative experiences and the need for counterbalance with positive outcomes.

And so it follows: if you want productivity and high output, offer incentives to achieve more than the minimum requirement. These can be both consequentially short- or long-term.

The psychological theory behind employee rewards is a pretty simple one.

But then why do so many organisations still get it wrong? Lack of foresight, introspection, empathy? Or is it unevolved human nature that gets in the way? We know what Freud would say about that. The psychology behind it can be intricate when asking what went wrong?', but the psychology behind the answer **'why it went right'** is straightforward. Let's take a look.

The psychology up close and personal

Consider animal psychology and the idea of expectancy, motivation, and equity from a TED Talk with Franz de Waal, a primatologist studying moral behaviour in animals. This excerpt from Youtube shows the results from a well-known study in fairness.

Two capuchins are given a task for immediate reward. The left capuchin gives a stone to the scientist, and she is given some cucumber. In the next cage, the right capuchin gives a stone and receives grapes. Immediately, the left capuchin becomes frantic with anxiety, tests the stone to see if there is anything wrong with it and tries the task again. When she is given cucumber the second time, she becomes agitated, rattles the cage, throws the cucumber at the scientist, and demands through her stressed demeanour to be paid fairly and treated equally.

How many of us have felt that same anxiety and agitation at work? We, like the left capuchin, can see when the other capuchins (humans) are being favoured over us. Favouritism and fairness are antonyms. One has a proper place in your organisation's reward scheme, and the other (namely favouritism) needs to be eliminated from it. Hopefully, it has never taken hold within your office culture.

Two basic types of rewards

The Wiki article continues to say, "Reward management is not only concerned with pay and employee benefits. It is equally concerned with non-financial rewards such as recognition, training, development and increased job responsibility."

There are two basic types of reward taken from psychology that we will discuss: intrinsic and extrinsic. The abovementioned principles of motivation (Abraham Maslow), expectancy (Victor Vroom), and equity (J. Stacy Adams), are some of the fundamentals behind rewarding your staff.

The Intrinsic

The intrinsic reward is emotive and is used to reward through satisfaction, i.e., intangible benefit, a concession, like recognition, positive feedback, trust, and inclusion. Intrinsic rewarding promotes the development of an emotional bond between you and your personnel and an obvious necessity for any reward scheme to thrive, no matter how many extrinsic rewards, such as money, prizes, vacation days, and gift cards you throw into it.

An intrinsic reward should be incorporated into every employee reward scheme. But a word of warning: intrinsic rewards should be used to provide satisfaction; it should not be used to pacify the employee – this would be lip service and is a false reward that will eventually cause damage to your company culture.

The Extrinsic

The main kind of reward this paper discusses is the extrinsic reward. We focus on this type of reward because it is not just an idea, it is tangible and can be offered through a service provider. It's easier to implement as a scheme because of its demonstrable nature.

Examples of extrinsic work rewards and gifting are benefit, perk, gift, and remunerative options, like a bonus, pay rise, company stock, and promotion. Some of these are long-term rewards and others are short-term. They relate more to the outward 'performance' of your personnel versus their inward 'happiness' (Reif, 1975).

We could continue for pages and volumes on the intricacies of psychology in the workplace, but understanding the above information is enough to set up the fundamentals underlying your employee rewards programme.

Moving on now, to the crux of the matter, the 'how' and 'why' of staff rewards and corporate gifts…

The 'why' for rewarding your workers

For improved productivity and engagement. Rewards schemes sweeten the deal, making the contract more appealing (the hook not only to catch the fish but to keep them swimming happily in your aquarium) – they are a dollop of whipped cream and cherry on top of the remunerations package.

Why? Reward schemes:

▸ Entice top talent

▸ Enhance engagement

▸ Increase productivity

▸ Strengthen retention, thus thwarting unnatural attrition (or swim to warmer waters).

The 'how to' for rewarding your employees

The rewarding employees concept we know is simple, as is the theory behind it. How to do staff rewards is simple too – recognise all employees equally for the efforts they put into the company. If others do more, give them extra to compensate according to the determined scale.

Use onecode for your rewards scheme

Follow these expert suggestions and your organisation's reward management will have your employees surpassing your minimum expectations with actuated fiscal gains

Staff rewards

The question **'how much to spend?'** confuses many and anxiety for companies on a tighter budget than others. Using the onecode system will eliminate this confusion and anxiety because it was created to work for you.

The onecode has the flexibility of being as much or as little as you need because it's designed to be used as either a one-gift shopping experience or like an e-wallet to build up an employee's bankable balance for a bigger reward, to be used and re-used like a debit card. Now to answer your other questions…

When to reward

Make your rewards frequently achievable and reward as and when the achievement is reached. The immediate reward is not only a great way to train a puppy, it is effective for humans too. This doesn't mean that every reward has to be a big expense or a big song and dance. It should be a recurring practice that your employees can rely on. This will develop trust and continued workflow.

With the onecode system, your employees can see their thank-yous turn from a momentary feel-good to longer-term rewards and something they can continue to work toward while receiving incremental benefits along the way.

Who to reward

Give to anyone and everyone who deserves a thank you. **Simply Thank You's onecode** reward and recognition management is designed to be as simple as that.
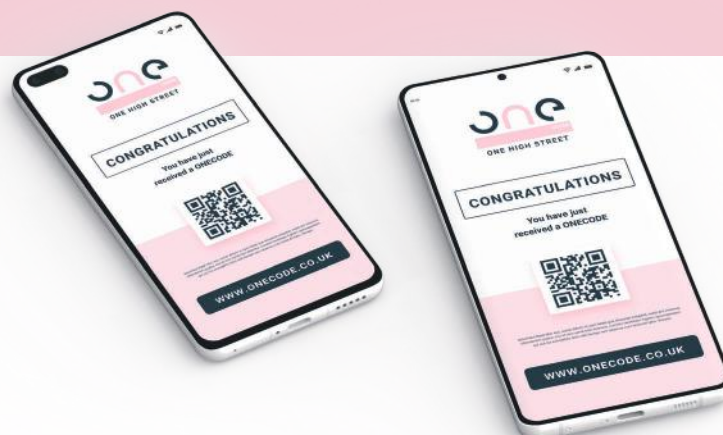
The 'how to' for rewarding your employees

What not to do

How many 'bonus' systems turn out to be 'bogus' systems? This sounds more like an 'exit question' that can be avoided by implementing a smart employee engagement strategy meant to retain your employees. A smart strategy consists of a win-win programme that develops trust by making rewards achievable.

Like trust, success is a two-way system that past, unsuccessful rewards management schemes have lost sight of. For an organisation's overall team success, employees have to be successful in their individual, daily roles. Cultivating a happy, healthy, productive ethos is through cohesion.

- Don't foster a cut-throat competitive culture that venerates a singular winner
- Don't favour a 'natural' over-achiever over all the others – use the outlier who is just as bright a star when given the opportunity to shine
- Don't be friends with only some of your employees – management should be a friend to all (or a friend to none if you want to take the Machiavellian approach)
- Don't financially incentivise the few over the many
- Don't forget to use onecode – a system for everyone.

The answer

Make it fair for all, and all will win – all will achieve and be successful.

Remember Cyrus and think of your rewards programme, the one way, as the three Rs of rewarding equals:

1. Recognition (the pat on the back)
2. Remuneration (the coin)
3. Relaxation (the drink).

In summary

To reiterate the why and how of rewarding employees: boost your bottom line and ensure your future success with onecode because your workforce, you, and your clients too, deserve to experience the many benefits of a superb staff rewards scheme.

For more information on how onecode can work for your business, visit www.onecode-corporate.co.uk or email us! hello@onecode.co.uk