

Rewards and recognition: two highly effective ways to motivate your employees

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Retaining quality employees can be a challenge. High turnover not only affects morale, but your company's bottom line will take a hit too. It's incredibly inefficient to train new people or get them up to speed. It taxes existing staff, and there's an obvious cost in time and money of procuring new people.

So how do you motivate existing employees and keep them hungry and passionate without necessarily giving them substantial pay increases or bonuses? How do you increase employee engagement, and more importantly, loyalty?

Motivate them with a chainsaw.

I'm sure your initial response is, "What, are you psycho?" It's not what you think. At Sql1, we found a way to motivate and inspire our staff through recognition, not just remuneration. It's called the Red Chainsaw Award, and recipients are given the plaque to recognize their contributions to the agency that not only go "above and beyond the call of duty" but also cut through the normal bull to produce exceptional results.

Typically, we announce the new recipient of the award during an agency staff meeting to recognize their achievements. Then the plaque is permanently placed on a wall among previous winners to continue to inspire and motivate others.

Appreciation and recognition are major factors that motivate employees to work harder and aim higher. By applauding employees for their achievements in front of colleagues, it stimulates everyone to work harder.

Why is this so vital?

Well, for one, every employee, regardless of where they happen to be in the food chain, is recognition hungry. And by recognizing their efficiency, you tap into the best way to motivate them and bring out their hidden talents.

Studies show that employees who are rewarded for going that extra mile are more productive and fulfilled, show greater loyalty and are eager to contribute to the organization in an impactful and meaningful way.

Recognizing the power of recognition

You should never underestimate the power inherent in [executive recognition](#). It's a potent weapon in your motivation arsenal, provided it's used in moderation and at the right time.

When an executive recognizes exceptional effort or rare achievement, its value is increased. A simple thing such as a company-wide email acknowledgment or shout-out in a meeting will go a long way. And if you add a personal call or shake hands to express your appreciation to the employee, you'll be surprised how much motivational currency that will create.

You may not necessary need to give away plaques like we do – especially if your employees are remote. The key is the find creative ways that work for your company. Find something that serves as a constant reminder of their achievement that has longevity beyond just the day it is bestowed.

You're part of a team, but you're an individual too

While it's important to get praise as part of a team that successfully meets goals and quotas, everyone needs to be recognized for their individual accomplishments by the people around them – and above them. Anticipating that they will be recognized for completing a task well is strong motivation for an individual to “go the extra mile.”

Providing positive recognition of an accomplishment serves to raise individual self-esteem, reinforce their value to the organization, improve their self-image and encourage them to accomplish even greater results in the future.

Recognition is important, but so are rewards

[Praise and recognition](#) for completing tasks have a limited shelf life. At a certain point you have to put your money where your mouth is and give some kind of reward to acknowledge superior results.

While it's important to motivate employees, if rewards do not come after extra efforts, your employees will lose their enthusiasm and come to the realization that there is no payoff.

Rewards come in all shapes and sizes, and can be tangible or intangible. Tangible rewards include such things as a briefcase, a gift certificate, a bonus or a pay increase.

But intangible rewards can be just as effective and cost the company far less. Just doing something as simple as taking the employee out to lunch to celebrate their achievement or give the employee extra time off can have a huge impact.

The best thing to do is link rewards to the completion of a specific task. Provide a monetary bonus for reaching a certain milestone, for example. By making it special and a one-time event, it does not dilute its value as a permanent pay increase does.

Short-term rewards and bonuses are just as motivating as a long-term pay increase and have little impact on the company bottom line.

Recognize employee achievement and you'll reap the rewards

When your employees feel more like associates, that management genuinely recognizes their contributions to the organization, and that they are vital members of a team working toward a goal, they feel like the company is more than just a place to work.

Recognition is priceless, and status is much more than money. It increases employee loyalty, enhances performance and generates greater success. So whether it's a red chainsaw or some other type of recognition, reward people who make the cut, and you'll cut employee churn and build a stronger organization.