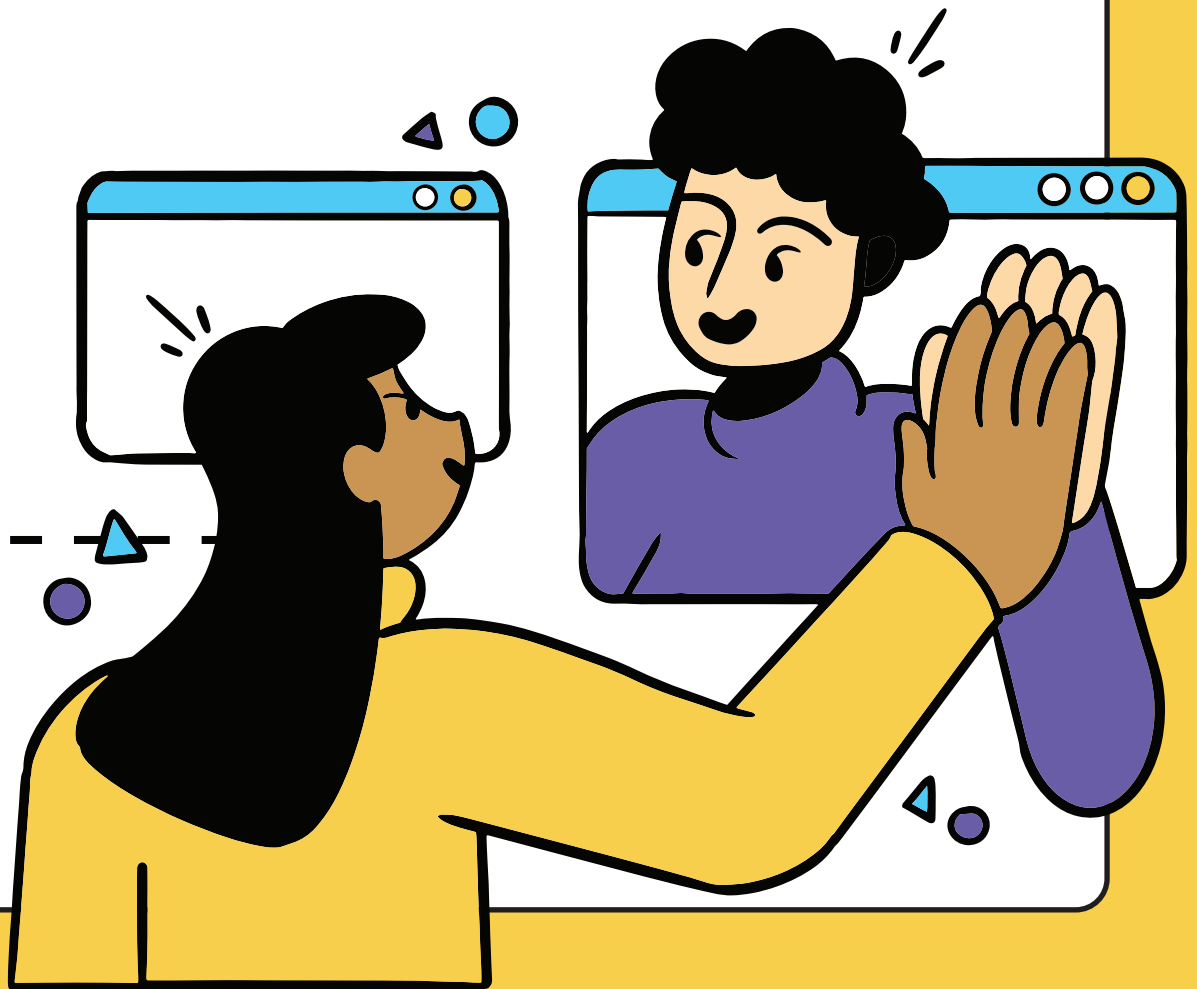Onward

Peer Recognition and Rewards Management for

Service Delivery Teams

Importance of Employee Recognition

Being appreciated and recognized for one's work is a fundamental desire shared by all individuals. Within the workplace, where a significant portion of our daily lives unfolds, most organizations offer employee recognition programs, yet only a few excel at fostering a genuine sense of value among their workforce. While the impact of employee recognition may not manifest immediately, numerous studies have confirmed its importance. In this whitepaper, we explore the prevailing challenges, effective team engagement strategies, actionable methods to enhance team camaraderie, and the role of Artificial Intelligence (AI) in this context.
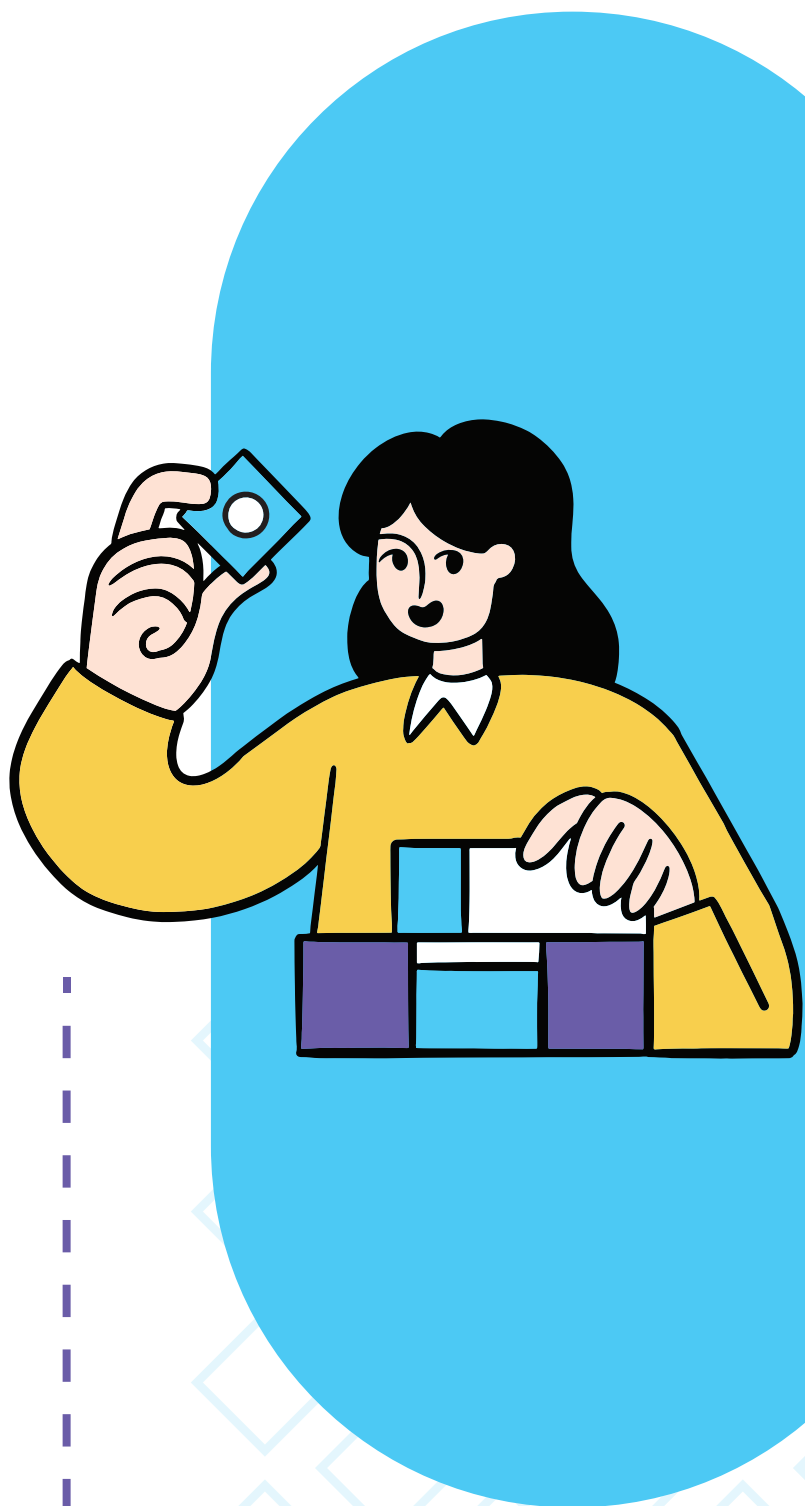
Challenges of Employee Engagement in the Remote Work Era

The emergence of globally dispersed teams, a byproduct of outsourcing, offshoring, and globalization, has introduced novel challenges to employee engagement. The amalgamation of diverse cultures and working styles necessitated clear communication of goals and expectations, understanding cultural insights, and the establishment of rules of engagement to surmount these challenges.

Nevertheless, fostering good engagement is not enough. Recognizing globally distributed employees becomes equally crucial in sustaining motivation and commitment towards overarching organizational goals. To meet this need, companies have explored various approaches to recognize employees, often generating fresh and innovative ideas. With technological advancements, particularly the instantaneous gratification offered by AI, organizations now seek more efficient virtual employee recognition solutions.

Reducing the Social Distance

Geographically separated teams face a higher level of social distance, hindering seamless connection and alignment, which, in turn, impedes the development of effective interactions. Thus, team leaders encounter a significant challenge in reducing this social distance to enhance collaboration and engagement.

Out of Sight, Out of Mind

In the era of remote work, employee recognition rituals that were once prevalent during in-office days have dissipated. Globally, merely one in four employees strongly agreed to have received praise or recognition for their commendable work in the past week. However, workplace consulting firms suggest that improving this ratio to six in ten employees could lead to a 28% enhancement in quality and a 31% reduction in absenteeism.

Trust Deficit

Maintaining trust and collaboration becomes more challenging in a remote work environment, where in-person interactions are scarce. Fostering trust requires a shared mission, collaborative spirit, and strategic team building, which can nurture trust among both onsite and remote teams.

A Potential for Bad Blood

The lack of face-to-face communication may lead remote employees to feel excluded or mistreated by their colleagues. Studies indicate that remote employees are more likely to perceive feelings of exclusion or mistreatment, fearing that colleagues speak negatively about them and lobby against their interests.

Mental Health is a Board-Level Topic

As profoundly social beings, our well-being is intricately tied to social connections. When these connections are disrupted, our mental health can suffer. Employee recognition plays a significant role in mental health, as companies investing in mental health programs demonstrate their concern for the well-being of their workforce. Simple gestures of appreciation, such as sending daily messages of gratitude or engaging in weekly video calls for expressing thanks, can strengthen relationships and positively impact employees' mental health.

Actionable Steps to Improve Team Camaraderie

A 'Thank You'

Offering timely expressions of gratitude after positive impacts have occurred is ideal. A heartfelt email, text, or Slack message resonates with the recipient, conveying genuine appreciation.

## Meeting Team Members Where They Are

To enhance the success of a recognition program, connecting it to existing technology, touchpoints, and communication mechanisms is crucial. This integration facilitates greater adoption and sustainability. Leaders should lead by example, regularly highlighting engagement in recognition during company meetings and encouraging wider participation.

Experiential Rewards

Personalized experiences, such as spa sessions, live matches, or trips, create lasting memories. Tailoring rewards to individual preferences increases the likelihood of creating unforgettable experiences.

Recurring and Continuous Motivation

A consistent rhythm of recognition and rewards motivates teams to consistently deliver their best work. Thoughtful non-monetary rewards contribute to positive outcomes for both the company and employees' overall well-being. Strategic programs that reinforce desired behaviors and performance standards aligned with company goals lead to improved service delivery.
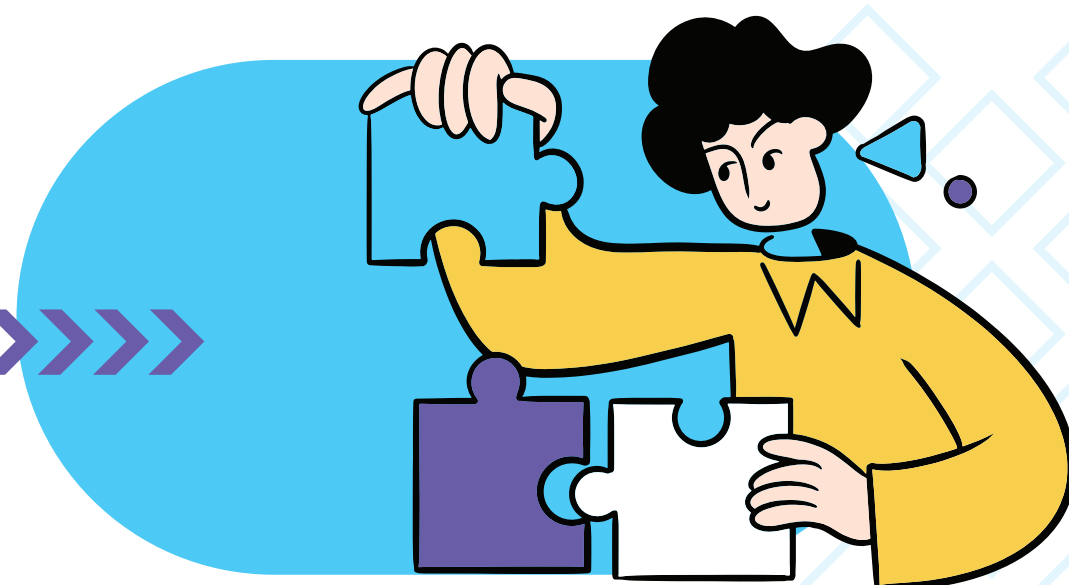
Business Outcomes of Employee Recognition

Employees who feel appreciated are more likely to reciprocate through actions that benefit the organization. Employee recognition is linked to a 43% increase in retention and an 84% increase in estimated tenure or intent to stay. Companies with content and fulfilled employees can provide better customer service, leading to higher customer satisfaction and loyalty.

Additionally, peer-to-peer recognition programs have a significant impact on financial results, with a 35.7% higher likelihood of positive outcomes. Such programs are associated with increased engagement, customer satisfaction, and customer retention.

Moreover, organizations utilizing strategic peer recognition programs report 48% higher staff engagement, which correlates with numerous benefits, including improved productivity, organizational citizenship, and reduced quality issues, safety incidents, and absenteeism.
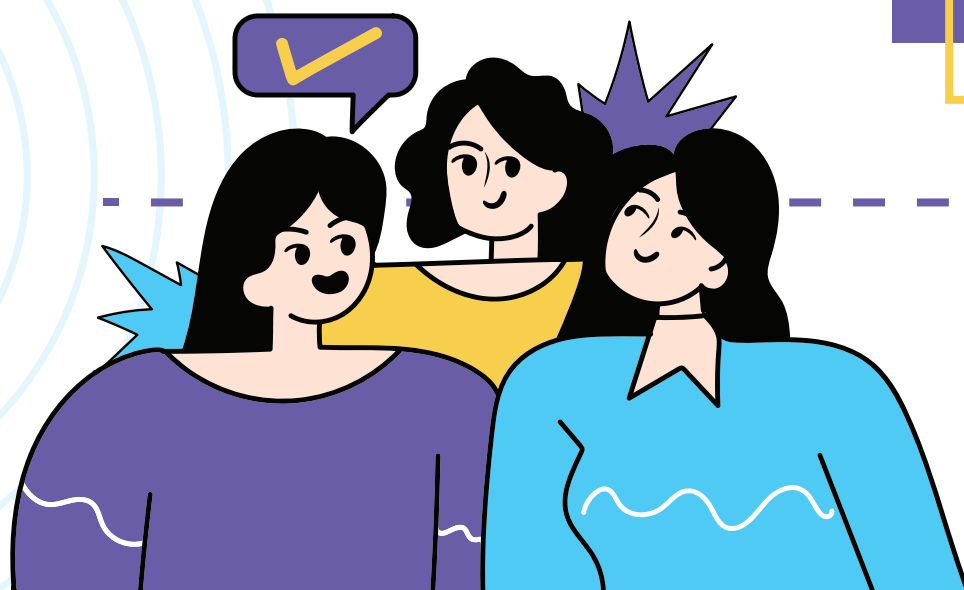
Role of AI
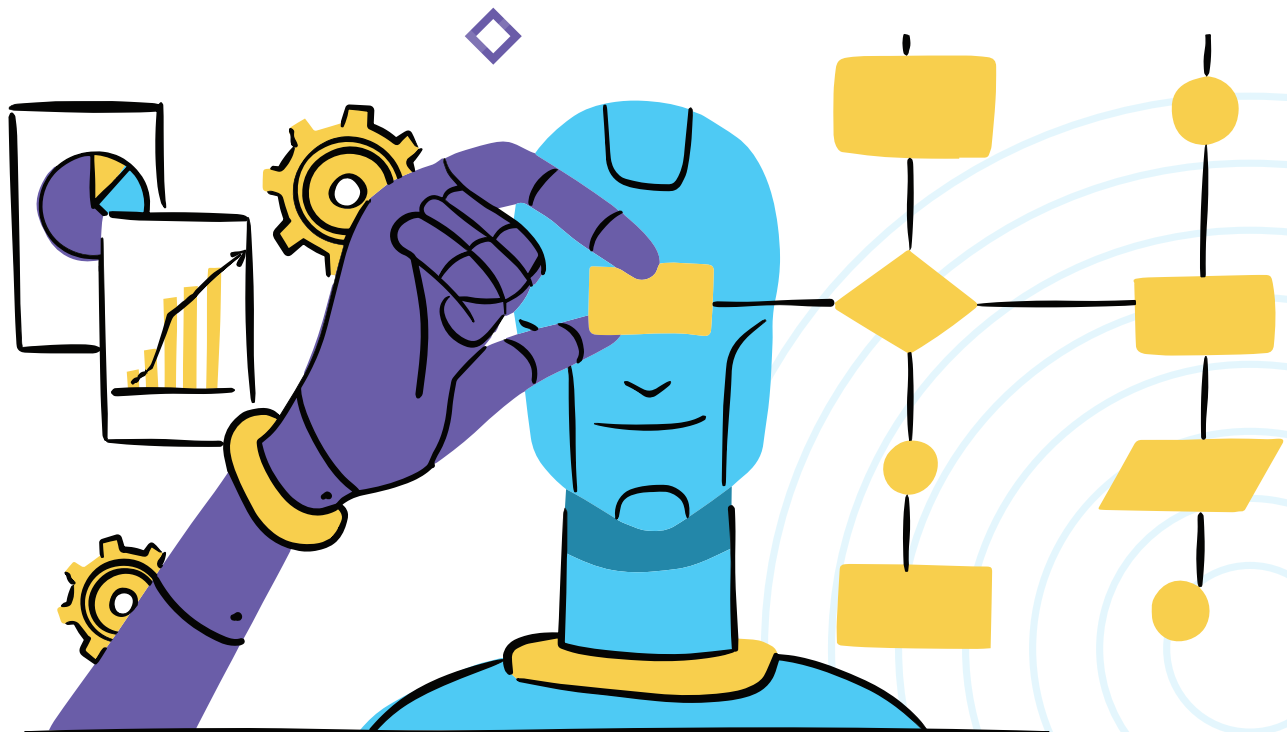
At the end of the 20th century, companies recognized the importance of performance-based bonuses and symbolic rewards, like trophies and plaques, in motivating employees. In the subsequent two decades, platform-based solutions highlighted the significance of peer recognition, adding a social dimension to the process.

AI enables a higher level of personalization without requiring human effort. By analyzing individual preferences, AI can suggest personalized recognition ideas and offers that resonate with employees, leading to desired outcomes. Data-driven decision-making based on trends and patterns allows HR teams to implement strategic initiatives that boost job satisfaction.

Using AI for Positive Reinforcement

AI systems employ reinforcement learning, a training method based on repeated actions and associated rewards. Just as positive reinforcement motivates humans, AI algorithms optimize their decision-making abilities through positive reinforcement.

Timely motivation and incentivization are essential for recognizing employees' achievements promptly, boosting their sense of purpose. AI excels in providing real-time motivation and incentives that positively impact engagement, productivity, and overall satisfaction.

The symbiotic relationship between humans and AI can create exceptional recognition programs and set companies apart. While AI provides immediate gratification through timely notifications and establishes online rewards systems, human-to-human acknowledgment remains crucial for genuinely meaningful recognition.

AI is not a replacement for giving truly meaningful recognition but its an excellent one for reinforcing positive behavior

In conclusion, AI serves as a powerful tool for reinforcing positive behavior and enhancing employee recognition efforts. By leveraging AI's capabilities alongside human appreciation, organizations can create a culture of recognition that thrives in both remote and onsite work environments.

Author
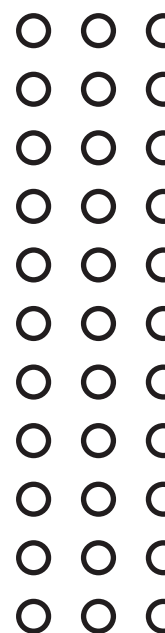
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Prabhu Palanisamy is a seasoned technology entrepreneur with extensive expertise in services management, business development, and building high performing teams. He is the co-founder of Onward focused on building worker engagement apps on the Atlassian platform.

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About Onward:

Onward provides easy-to-use apps in Atlassian that reimagine workforce engagement.
We improve connections, skills, and company culture in a fun and engaging way, no matter where your workers are located.

Our vision is to strengthen our customers' greatest resource—their employees. We do that by offering easy to use applications that promote worker engagement.
For more information,
visit **www.onwardb.com**