The Complete
Employee Recognition
Buyer's Guide

WHAT'S INSIDE:

OVERVIEW OF EMPLOYEE RECOGNITION TODAY

ORGANIZATIONAL NEEDS ASSESSMENT

TIPS ON KEY STAKEHOLDERS, TIMELINE & BUDGET

PLATFORM EVALUATION WORKSHEET

BUILDING A BUSINESS CASE

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Roadmap

What's In a Name?

When you begin evaluating options,
take a moment to consider the companies' names.
You can tell a lot about a provider's focus by their name.

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Thank Different.

How to Use This Guide

Congratulations on taking the first step toward a more engaged workforce!

This guide gives a comprehensive overview of how to choose the right employee recognition solution for your company's culture, goals, and budget. Remember that you are the expert on your needs and what makes your workforce unique - this guide should help you find the perfect partner.

Worksheets & Checklist

You'll find worksheets in this guide designed to lead you to the best choice possible. These worksheets will help you get to the bottom of your organization's needs, who is involved in the decision-making, and, most importantly, how to compare the various software options available.

We're Here to Help

You don't have to do it on your own. If you feel overwhelmed or on a very tight timeline, we can walk you through the process. Just click on the ⓘ you see in every page's bottom right corner to reach out for more information.

Employee Recognition:
Current Landscape

Employee expectations have changed.

Today's employees expect meaningful & memorable recognition. With Millennials as the largest generation in today's workforce, financial incentives are no longer the primary driver of employee engagement and performance. The focus has shifted to building a strong culture through engagement, shared values, and performance-centered recognition.

Recognition shouldn't just focus on tenure, milestones, or years of service but rather on employees' daily contribution and effort.

- "Lack of recognition" is the third biggest reason people say they are considering, or would consider leaving their jobs

- 82% of employees wish they received more recognition for their work [1]

- Recognition has the greatest impact on employee engagement

- Social recognition is two times more likely to improve performance and NPS scores

Some signs that you have an engagement problem:

Low morale

High turnover

Decline in individual performance

Employees have told you
(via 1-1 feedback or survey)

Lack of collaboration

Absenteeism

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1   https://www.glassdoor.com/employers/blog/employers-to-retain-half-of-their-employees-longer-if-bosses-showed-more-appreciation-glassdoor-survey/

Employee Recognition:

Current Landscape

The way that successful organizations recognize their employees has shifted.

Recognition Before

Recognition Today

$ Bonuses, Trinkets & Traditional Rewards.

Personal & Professional Growth & Meaningful Recognition ♡

Studies show that money or cash rewards are not the most valuable forms of recognition, but, rather, verbal or written recognition.[1]

1   https://www.gallup.com/workplace/236441/employee-recognition-low-cost-high-impact.aspx

What Kind of Engagement Platform Do You Want?

Not all employee engagement platforms are created equal.

Choosing the right direction for your organization will depend on your goals and vision for this initiative. Here's a breakdown of what's out there:

Feedback System

Primary focus: surveys, one-way communication

Performance Management System

Primary focus: annual reviews, positive & negative feedback, formal

Rewards-Focused System

Primary focus: rewarding good performance with gifts; extrinsic motivation

Recognition-Focused System

Primary focus: building sustainable employee engagement, improving organizational culture and performance

Self-Assessment

The biggest mistake you can make when purchasing employee recognition software is to grab a list of features and see which vendor offers the most from the list at the lowest cost. For instance, many recognition platforms offer an impressive array of reward-centric features—but may not be designed to improve employee engagement and culture sustainably.

This self-assessment will help you determine the specific employee recognition software needs of your organization. Your answers to these questions should identify the main problem you are looking to solve. Don't shop for a product - shop for a solution.

Once complete, you should use your self-assessment as your roadmap throughout the buying process. There's a lot out there; for your project to be successful, you need to revisit this often to make sure you're on track to solving the problem that first started this exploration of recognition software.

This self-assessment will help you determine the specific employee recognition software needs of your organization. Your answers to these questions should identify the main problem you are looking to solve.

Don't shop for a product, shop for a solution.

Self-Assessment

Recognition System Needs

- What prompted you to look for a recognition system?
- Is this initiative particularly important to someone on your leadership team?
- What is it about these systems that are of most interest to you?
- What are your primary goals for this system? For example, do you want recognition to be highly visible in your organization?
- Are you looking for a system that will allow for top-down recognition (I.e., manager to employee), peer-to-peer (employee to employee), or both?

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Current HR Challenges & Pain Points

- Have you experienced a recent rise in employee turnover?
- What have employees shared in recent exit interviews?
- How would you describe your current culture?
- Why are you looking for employee recognition software?
- Have employees explicitly expressed that they don't feel valued?

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Self-Assessment

Adjusting to Change

- Has your workforce recently moved from being centralized in an office to a remote or work-from-home model?
- When would you like your new employee recognition system to be in place?

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Employee Engagement & Recognition: Current State

- What are you currently doing to engage and recognize employees in your organization?
- Do you currently give awards for years of service/work anniversaries?
- How do employees get recognized for their outstanding work?
- Do you know who the top performers are on other teams and/or in other departments?

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Self-Assessment

Your Values & Culture

- What is your organization's mission and vision? What are your values?
- Do you think your employees know your values?
- What behaviours/achievements do you want to recognize?
- What changes would you like to see in your culture?

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Your Current Software & Technology

- What Human Resources Management System (HRMS) do you use (ADP, Workday, Paylocity, etc.?)
- What communication or collaboration tools do you use (i.e., Slack, MS Teams, Outlook, etc.)?
- Is there any other software that the majority of your employees use daily?

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Identifying Key People, Timeline and Budget

Key People

Purchasing employee recognition software impacts many parts of an organization - it's essential to make sure that all relevant stakeholders are involved in the buying process. Identifying who may be affected and including them in critical conversations will help make the process more efficient and timely.

Stakeholders could include:

- Your HR Team
- Finance
- IT
- Operations
- Purchasing
- Payroll
- Your Executive Team (CEO, CFO, etc.)

List all stakeholders here:

E.g., Sam Stakeholder, CTO

Stakeholder Questions

Use this worksheet to track important questions from the stakeholders identified.

Here are some common interests or questions key stakeholders may have when considering an employee recognition platform:

HR Teams: Interested in reducing admin time spent on traditional rewards programs, working on outdated rewards software, reduction in employee turnover, and improvement in engagement scores and culture.

Finance: Would like a measurable return from culture initiatives, reduction of employee turnover costs.

IT: Would like to ensure system security and data compliance, secure integrations with existing systems. For example, does the solution have SOC2? Does the solution integrate with our existing Single-Sign-On and Multifactor Authentication?

Operations: Is the system accessible for all employees (desk, factory floor, remote, etc.)?

Purchasing: Would like to see quotes from more than one provider and a clear comparison of available options (**platform evaluation worksheet** provided below).

Payroll: Would like easy reporting on rewards redemptions (if applicable) for tax purposes.

Executive Team: Cost, return on investment, data compliance, user adoption, culture impact, overall company performance impact.

QUESTIONS

- Name _____

- Question_____
  ☐ Answered

- Name _____

- Question_____
  ☐ Answered

- Name _____

- Question_____
  ☐ Answered

- Name _____

- Question_____
  ☐ Answered

- Name _____

- Question_____
  ☐ Answered

- Name _____

- Question_____
  ☐ Answered

Timeline

I would like to launch my employee recognition software by _____ (date)

Develop a project timeline with your key stakeholders and determine your ideal go-live date.

Factors to consider when choosing a date:

- Have you identified a problem (page 8) that needs to be solved as soon as possible?

- Do you have a specific budget established or in mind for your employee recognition initiative?

When considering your timeline, it's also essential to assess your employees' skills and capabilities when learning new technologies. Will they be open to learning a new tool? Based on experience, what will they need in terms of support and documentation? Those factors can all affect the timeline. Your chosen vendor should be available to help you develop a realistic plan.

Your chosen vendor should be available to help you develop a realistic plan.

Budget

Enterprise employee recognition systems range in price across vendors. Armed with your needs assessment, you will be able to get accurate quotes from vendors. Make sure you work with key stakeholders to budget for a solution that will solve your problems.

In evaluating quotes, make sure you're looking at how well the system addresses your specific needs versus simply evaluating cost.

When purchasing recognition software, make sure to budget for:

- SaaS Subscription Fee
- Onboarding Fees
- Support (not always applicable)
- Rewards (e.g., min reward spend, markup charged by vendors on rewards)

In evaluating quotes, make sure you're looking at how well the system addresses your unique needs.

Budget Notes

Take note of any major considerations that apply to you and your business.

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Implementation & Support

Current Landscape

To be successful in introducing enterprise-level recognition software, you need the right partner to support you.

Here is a simple roadmap to follow:

Evaluation: The product features should align with the results of your needs assessment.

Scope: Providers should present you with a detailed plan to address your requirements.

Consultation and Best Practices: An ideal software provider will provide insights, ideas, and creative solutions to drive the results you need.

Design, Setup, Launch: Confirm that your chosen provider is available to assist in all aspects of your program's launch within a schedule that meets your needs and deadline.

Engagement and Communication: Ensure that the software provider will support you in engaging your team regularly. Consistent engagement is how recognition will become integral to your culture!

Success: Confirm that there will be touch points and check-ins set to ensure the program is on target. A dedicated contact for support, billing, and program design is vital to success.

Hint |

You can track these must-haves and more in the Platform Evaluation Checklist found on Page 21 of this guide.

Integrations & API

Integrations simplify administration and encourage participation. With the right integrations, employees can make recognition possible through the systems you and your team use every day.

Integrations to look for:

- **Chat & Collaboration** - the tools your team uses every day.

- **Access & Single Sign On (SSO)** - skip the login for secure and straightforward access.

- **User Provisioning** - automate user synching and updates from your HRIS or employee database.

- **Browser Extensions** – send recognition from anywhere.

- **Create your own integrations with a secure API**

Use the next page (17) to note down some of the tools that you know will need to be considered as part of your platform needs assessment.

Make recognition possible through the systems you and your team use every day.

Hint |

You can track these must-haves and more in the Platform Evaluation Checklist found at the end of this document

Your Existing Technology

Consider what technologies your organization currently uses, and which ones might to be integrated with a recognition platform.

Chat & Collaboration & Productivity

Increase user adoption by integrating with the tools that your team already uses.

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HRIS & Payroll

Save costly admin time by automating user syncing and updates from your HRIS or employee database.

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Identity & Access

Skip the login form and use your existing software to log in instantly and securely.

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Other

Create your own integrations with APIs.

_____

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Vendor Evaluation

Use this list as a reference when determining which a specific vendor is right for you.

Key Factors to Keep in Mind:

- Remember which features are important to you based on your needs assessment.

- Keep an open mind. There's more than one way to accomplish the same goal. You may think you need X when Y will do even better.

- Ask for a comprehensive demo, and make sure you record the session to share with your key stakeholders.

Things to watch out for:

- Vendors who claim to be able to "do it all" but have not addressed your needs directly.

- Hidden costs. Make sure you have a clear understanding of the monthly/annual fees and any markups on rewards.

- Vendors that require a minimum spend on rewards or large bundles of prepaid rewards.

- Complicated money-back guarantees – some vendors will offer this, however, the fine print makes the money-back guarantee very hard to redeem.

Digging Deeper:

- Investigate software reviews on G2 to hear what real users think of the product.

- Ask your top three vendors for customer testimonials and references. Ensure the examples align with your industry and company size to get the most out of the review.

- Learn more about the companies themselves, their mission, and their vision. Do they align with your goals? Are they an organization you would like to partner with long-term?

Learn more about the companies themselves, their mission, and their vision. Do they align with your goals? Are they an organization you would like to partner with long-term?

Building A Business Case

You've chosen a preferred vendor based on all of your analysis, and you're ready to get buy-in from all individual stakeholders previously identified to move forward. Your chosen vendor should be available to work with you to create a compelling presentation and business case. Here is a simple framework you can follow:

Your chosen vendor should be available to work with you to create a compelling presentation and business case.

Problem > Needs assessment > Present the current issue and why it needs to be addressed

Solution > Employee recognition platform > Explain how recognition can address your problems and more

Approach > Present your platform evaluation > Highlight most valuable option

ROI > Risks of adpoting vs risk of not doing anything > ROI benefits for chosen solution

ROI

How To Measure ROI

Measuring turnover is the easiest way to understand ROI after implementation; however, depending on your needs and goals, some other metrics that can measure the ROI of implementing recognition software include:

Culture Scores	Productivity	Best Places to Work	Accidents	Share Prices
Turnover	Innovation	Absenteeism	Glassdoor Ratings	Sentiment
Customer Satisfaction	Performance	Profitability	Errors & Defects	eNPS

The Cost of Disengagement

What is the risk of not implementing employee recognition software?

(HBR, Bersin)

65% Lower Share Prices

37% Lower Job Growth

60% More Errors & Defects

30% Higher Turnover

49% More Accidents

18% Lower Productivity

37% Higher Absenteeism

16% Lower Profitability

Hint |

Today's most progressive organizations use their recognition programs to consistently reinforce key behaviors and outcomes necessary to drive business success.[1]

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1 https://www2.deloitte.com/ie/en/pages/deloitte-private/articles/recognition-programmes.html)

Platform Evaluation Checklist

Use this checklist to keep track of the various features each solution offers throughout your evaluation process.

	Vendor 1 KUDOS	Vendor 2	Vendor 3
RECOGNITION			
Peer-to-Peer Recognition	☑	☐	☐
Awards	☑	☐	☐
Manager Reports	☑	☐	☐
Levels of Recognition	☑	☐	☐
Recognition Endorsements	☑	☐	☐
Commenting	☑	☐	☐
ORGANIZATIONAL CULTURE ANALYTICS			
Manager Dashboards	☑	☐	☐
User Dashboards	☑	☐	☐
Leader Reports	☑	☐	☐
Custom Reports	☑	☐	☐
Years of Service & Milestones	☑	☐	☐
REWARDS			
Built-in Report for Payroll	☑	☐	☐
Rewards Are Optional	☑	☐	☐
Configurable Points Value	☑	☐	☐
No Markups	☑	☐	☐
Custom Rewards	☑	☐	☐
Easy To Manage	☑	☐	☐
Digital Gift Cards	☑	☐	☐

ⓘ

Platform Evaluation Checklist

COMMUNICATION

Announcements	☑	☐	☐
Newsletters	☑	☐	☐
Galleries	☑	☐	☐
Values	☑	☐	☐
Mission	☑	☐	☐
Page Builder	☑	☐	☐

INTEGRATIONS & API

Chat & Collaboration

Microsoft Teams	☑	☐	☐
Microsoft Outlook	☑	☐	☐
Microsoft SharePoint	☑	☐	☐
Skype	☑	☐	☐
Slack	☑	☐	☐

Platform Evaluation Checklist

INTEGRATIONS & API (Cont'd)

Access & Single Sign On (SSO)

ADP Workforce Now®	☑	☐	☐
Microsoft Azure AD	☑	☐	☐
Office 365	☑	☐	☐
Oracle Identity Cloud	☑	☐	☐
BITIUM	☑	☐	☐
Okta	☑	☐	☐
OneLogin	☑	☐	☐
Ping Identity	☑	☐	☐
SAASPASS	☑	☐	☐
Google	☑	☐	☐
LinkedIn	☑	☐	☐

User Provisioning

ADP Workforce Now®	☑	☐	☐
BambooHR	☑	☐	☐
Workday	☑	☐	☐
Paylocity	☑	☐	☐
Microsoft Azure AD	☑	☐	☐
Okta	☑	☐	☐
OneLogin	☑	☐	☐
Ping Identity	☑	☐	☐

Platform Evaluation Checklist

INTEGRATIONS & API (Cont'd)

Browser Extensions

Brave	☑	☐	☐
Microsoft Edge	☑	☐	☐
Google Chrome	☑	☐	☐
Firefox	☑	☐	☐

Other

API	☑	☐	☐

IMPLEMENTATION & SUPPORT

Project overview and scope provided	☑	☐	☐
Provides insights, ideas and creative solutions	☑	☐	☐
Can launch by _____ (ideal launch date)	☑	☐	☐
Program support available post implementation (campaigns, best practices)	☑	☐	☐
Regular touch points and check-ins post implementation	☑	☐	☐

PRIMARY FOCUS OF SYSTEM

Recognition	☑	☐	☐
Rewards	☑	☐	☐
Performance Management	☑	☐	☐
Feedback	☑	☐	☐

Purchase

Congratulations. Hopefully, at this point, you've chosen a software provider and are ready to move forward.

While this is the end of your guide, you should hold on to your notes, especially your needs assessment, to track your success.

Kudos to you for making it happen!

Questions? Don't hesitate to get in touch at **info@kudos.com**