

awardco

**SERVICE
AWARDS
SURVIVAL
GUIDE**

PPY ANNIVERSARY



**AN HR
LEADER'S
COMPANION TO
SURVIVING THE
WORKPOLLCALYPSE**

A Spooky Story

It's 5:30 on a Friday afternoon. It's been a busy week. You're tired, stressed, and overwhelmed with the amount of work you have to do, but proud of the things you have accomplished this week. The sky is darkening outside, and you can see the wind picking up through the trees. Must be a storm headed your way. You're about to head home when you realize with shock:

TODAY IS RACHEL'S ONE YEAR ANNIVERSARY!

Hastily, in the gathering gloom of the office, you send a short but heartfelt email to Rachel.

"Thank you so much for all you've done over the last year! We're grateful to have you and wouldn't be the same without you. Happy one year anniversary!"

You press send and are about to leave when you feel the hair on the back of your neck rise. Something isn't right...you can feel it. You quickly go to your HR survival cabinet, and with shaking hands unlock the door and throw it open. The cabinet is full of HR weapons you've accumulated over the years: extra cardstock, balloons, streamers, desk decorations, little flags, bouncy balls...YES! THERE IT IS. A stack of blank thank you cards you had stashed away for just such an occasion!

You quickly grab one, craft a hand-written note to Rachel, and put it on her desk. She'll see it on Monday when she comes in. Better late than never, right? You feel better and pack your things to leave. As the door clicks shut behind you there's still a sinking feeling that you've forgotten something...something important.

In the light of the few remaining flickering florescent lights in your office you see Doug's desk, which is right next to yours. It has a sticky note on it, which reads in scrawled letters:

"Happy 5 year workiversary, Doug!"

YOU'VE FORGOTTEN ANOTHER ANNIVERSARY! *Cue lightning and thunder as the storm begins to rage outside*

Oh well. You'll deal with it on Monday.



An HR Leader's Service Awards Survival Guide

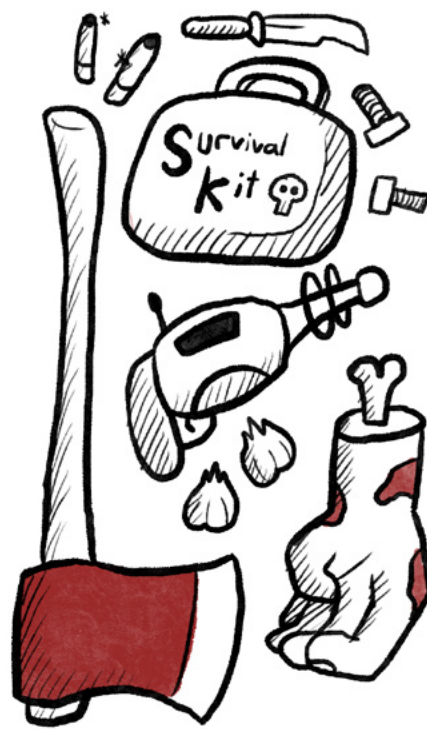
If the above story sounds even remotely familiar, you're not alone. There's a lot of skeletons in HR closets and monsters we've inadvertently helped create. But let's be real here: celebrating employee service awards in any fashion is almost always (we'll get to why it might not be) a good thing—even if it's a hastily written note.

However, if you're not intentional about it, celebrating employee service awards can become an afterthought that only celebrates employees' survival from one year to the next. Service awards shouldn't be survival awards for your employees—they should be an opportunity to highlight contributions, appreciate value, and truly celebrate your employees. Celebrating survival on its own is not enough to build culture and help your organization thrive. In the horror movie world, this would be like celebrating the single college kid out of a dozen that survives when the whole "cabin in the woods thing" could have been avoided with a little forethought.

In today's work environment you need more tools in your arsenal to stave off the terrifying prospect of disengaged employees. Service awards as an afterthought just won't cut it. HR leaders can't coast along anymore, hoping their employees feel engaged and supported. That leads to frightening and monstrous outcomes that will sneak up on you in the (metaphorical) dead of night and sink their teeth into your well-meaning engagement efforts.

We're here to equip you with the knowledge and tools you need to survive and thrive in the increasingly spooky world of HR leadership. We're going

to dive into some of the scarier parts of service anniversary awards—and more importantly equip you with a survival kit and the know-how to combat them.



Survival tip №1: Personalize

There's a popular myth out there that any service award program is satisfactory and will help employees feel appreciated. Guess what? That's only true to a point. Sort of like Dracula's story being true to a point (see what we did there?). The real story was embellished from a real, and very much alive, Vlad III, Prince of Wallachia. But we digress!

Service awards are important and, luckily, most companies realize that. Most organizations have some form of service anniversary award program in place. In a study Awardco conducted with HR.com we found that at least 71% of organizations have some sort of service anniversary celebration program. That's a significant percentage, and tells us that service awards are seen as an important tool in every organization's retention strategy—and rightfully so.

Still, having a service award program doesn't necessarily equate to having an effective service award program. Many well-intentioned service award programs actually leave employees feeling underwhelmed—or even worse, bitter. Impersonal awards for service anniversaries are often a sign of a company that's out of touch with their employees. *A lackluster or impersonal service award program can cause disillusionment and bitterness if employees don't feel truly valued for their time.*

Here's the trick: **a program that is truly personal magnifies the feelings of being appreciated.** Don't just give a typed card and a mass-produced plaque for their years of service. Remember, employees spend the majority of their waking life at work! Many employees feel underwhelmed when they give so much time to an organization only to receive an acrylic numeral with their name on it. Learn about the person, and involve their manager in the award. Find out what they like and what they dislike. (If they're a vampire, maybe a gift card to that garlic-heavy pizza joint isn't such a good idea.) Lastly, if you give everyone the same experience, you're guaranteed to make them feel like "just another employee with an anniversary".

Another trick: to be effective, service award programs must be part of a more holistic engagement strategy. Like only using garlic to ward off vampires while ignoring holy water and wooden stakes, relying only on service awards alone to save your employee engagement strategy is short-sighted. It must be just one weapon within of a larger monster-slaying (or employee engagement-boosting) arsenal.



Survival Toolkit:

- Learn about the person.
- Involve their manager and team.
- Discover likes/dislikes.
- Add a personal touch to every award.



Survival tip №2: Tie service awards to performance.

Many organizations feel that tying a service anniversary award to performance is about as useful as taking a wooden knife to a fight with a werewolf. I.e. it's unnecessary, pointless, and it will come back to bite you (the werewolf, that is). When your employees hit a [insert number of years here] milestone, they're going to get the milestone award regardless of what they did, right?

Well, we're here to tell you service anniversaries are the perfect time to connect performance to an award. In fact, tying service awards to performance is your silver bullet in the aforementioned werewolf knife fight. (Coincidentally that's a really great name for a spooky-themed band).

Tying performance to service anniversaries highlights the value the employee has brought to the organization during his/her tenure, strengthening the bond between the two. Moreover, *recognition tied to company values is 88% more effective in reinforcing those values across your organization.* Connecting recognition to values makes the recognition more potent to the receiver because they know the specifics behind why they're being appreciated beyond surviving a number of years at your company. What better time to highlight an employee's contributions AND build confidence in your organization than when you highlight service anniversaries?



Survival Toolkit:

- Audit the value an employee has brought to your organization.
Pro Tip: a digital recognition platform like Awardco allows you to look up what values the employee has been recognized for the most, and highlight the most powerful recognitions!
- Review performance along with a service anniversary, and reward appropriately.
- Reinforce company values within the service award.
- Provide specifics in the recognition.

Survival tip №3: Celebrate anniversaries more frequently than every five years.

Despite what some may say, a year is a really long time. Just look back at the last year of your life and tell us it didn't feel long at times. Go on, we'll wait! If a year of your own life feels long, think about all the people you work with. They feel the same way. Some might even feel it more acutely than you do! So if a year is a long time, why do the vast majority of organizations only celebrate service anniversaries in five year increments?

To understand this, we're going to have to talk about probably the scariest thing ever: TAXES. *Cue lightning flash and thunder*

That's right, the unspoken five-year rule for celebrating service anniversaries is rooted in the dark, deep, frightening annals of the tax code. The short explanation is this: organizations and individuals are [liable for taxes](#) if they award employees outside of a 5-year cadence. So, many organizations end up prioritizing tax-savings ahead of employee engagement, only celebrating service anniversaries every five years. That's more sad than Frankenstein's misunderstood monster.

The U.S. [Bureau of Labor reports](#) that *the median tenure of employees is 4.1 years*, and for millennials (who now make up over 50% of the workforce) it's even shorter: 2.8 years. So...if the average employee doesn't even make it five years, who are you going to give all those pointy crystal 5-year service awards to?






Luckily there's an easy and obvious way to combat this: recognize your employees for every service anniversary. Celebrating employees every year will lead to higher retention—which means more employees might actually make it to that coveted five-year mark. Naturally there will be some turnover, and roadblocks like the Great Resignation are definitely making it more difficult to retain employees. However, **56% of employees say that frequent recognition makes them much less likely to jump ship**. Just think of it this way: if Frankenstein's monster was recognized often for the miracle he was instead of being locked away in a laboratory, things could have turned out a lot better for everyone, right?

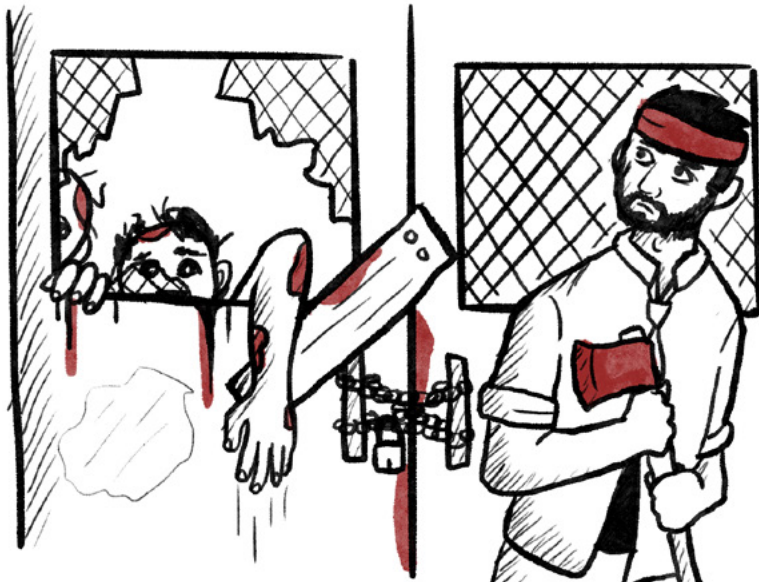
And what of those terrifying tax rules? Well, when you recognize someone for a service anniversary it doesn't have to be monetary recognition, nor does it have to be a big splash. All it takes is involvement of peers and a thoughtful gesture. And if you're not sure how to do that, check out [Awardco's MemoryBooks™](#) to see how a fully automated digital solution will leave you feeling terrific instead of terrified.

Pro Tip: don't wait until the end of the year to award service anniversaries. Sure, it's hard to keep track of everyone's special day, but you can [automate everything](#) and make sure nobody falls through the cracks. Let every employee have their time in the sun. They might need a timely antidote, not an expired one that's given months too late.



Survival Toolkit:

- Recognize service anniversaries every year.
- Use non-monetary awards if tax implications are a concern.
- Build sincerity, exclusivity, and other value-adds into your service awards.
- Automate service anniversaries to make sure everyone is celebrated.



Survival Toolkit:

- Provide as much choice as possible for rewards.
- Let employees choose. Don't force a lackluster item or reward.
- Offer a service that has more choice and zero markups, so you can direct your spend back to employees.

Survival tip N^o4: Let people choose their rewards.

Many HR leaders have a problem. Believe it or not *57% of HR professionals say that finding rewards that team members will value was a big issue on their minds*—and for good reason. How do you find valuable rewards but stay within budget parameters? How can you offer reward choice for each employee without stuffing your office storage with a backlog of items? How can you convey value without your retiring employees leaving behind a wasteland of pointy acrylic awards à la Mad Max? (Fun fact: one of our clients told us that *50% of the service awards given out with a previous vendor were left behind by employees that left or retired*. That's a lot of wasted materials and wasted potential to truly convey real value to an employee!)

Guess what? There's [a great way](#) (spoiler alert: it's Awardco) to clean out your spiderweb-filled storage, keep to your budget, and offer millions of rewarding options for service awards—all without the post-apocalyptic orangy aesthetic. And it's easier than you think because of Awardco's partnership with Amazon Business.

If you had to fight off a zombie horde and all you had available was a stapler and a roll of Mentos, you'd be dead faster than you could eat all those Mentos. Wouldn't it be better to have your own personal Costco or Amazon at your fingertips to choose your gear? That's Awardco—you're giving employees access to a huge number of items and they can choose

what they want. They'll be more grateful, you'll be more happy, and you'll both be able to take on those zombie hordes with efficiency AND fresh breath.

Choice conveys value. When you allow your employees to choose their own reward you're telling them that they matter. You're sending a message that their preferences are most important. You're showing you care. And an employee that feels cared for will care more. It's that simple. And it doesn't have to break the bank, either—especially when that personal Amazon we mentioned earlier also comes with no markups on the items. The savings from markups (and inexpensive Amazon shipping options) gives companies more flexibility than ever to maximize their HR budgets. Our clients typically save thousands annually, which they then direct back to their rewarding employees. And that's what it should be all about.

Survival tip №5: You don't need leadership buy-in.



Here's some food for thought: do you think Dr. Frankenstein would have accomplished what he did if he had waited for leadership buy-in? Where would his project have gone if he had waited for another budget review meeting? We'd be without Frankenstein's monster, that's where.

Morality of the good doctor's decision aside, not only did he gain a better understanding of anatomy and a close-up lesson in electricity and physics—he learned about the true workings of the human heart.

We're not telling you to ignore your leadership. On the contrary! The best leaders work hard to help guide you along the path to success. But what we ARE saying is that you can do something right now to improve your service award program without the need for budget approvals and exploratory powerpoint presentations that leave everybody feeling a little like a zombie.

Here are a few ideas:

- **Start with your own team.**

Learn when everyone's service anniversary is and take note. When one comes up, celebrate it with a heartfelt note and a personalized treat, even if it's just a favorite candy bar. We guarantee you'll see a boost in team happiness, cohesion, and productivity. Take your findings to leadership and give them a very personal case study!

- **Make special note of upcoming service anniversaries.**

Use the company newsletter, slack channel, or company-wide email to celebrate work anniversaries. When you highlight service anniversaries in a public forum it shows you notice your employees and are grateful for them.

- **Train managers to celebrate their teams.**

After you've started with your own team, train managers on how to mimic your success with service anniversaries. See what other ideas come up, and try out those that have promise. When you work together with managers you'll see great results.

When all is said and done, you do need to listen to leadership. Don't go out and illegally dig up bodies to stitch together, please. We don't want any calls from law enforcement here. All we want is for you to feel empowered to start somewhere and have an impact where you are. Any recognition will have an impact, no matter how small it may seem. Go forth and do good!

Survival Toolkit:

- Start now with what you have, and make it really shine.
- Start small with your own team. Use yourself as a case study to show leadership the power of service awards done well.
- Train managers to celebrate their teams.
- Keep track of upcoming service awards and celebrate them company-wide through newsletters or other internal communications.

Survival tip: N°6: Involve people.

We've all felt like outsiders at one point or another in our lives. It happens. It's part of the human experience. Sometimes it might even feel like you're an alien, trying your best to blend in amidst the humans. Are there people in your department or company that feel like they're from a different planet because nobody knows them?

Guess what? You can get to know them, and encourage others to do the same!

Recognition is best served with a heaping helping of human care and love, and there's no better way to facilitate that than to involve more people in recognition. SHRM conducted a recent survey where *57% of organizations found that peer participation in recognition improved engagement*. Think of how your service anniversary celebrations would improve if you involved peers in each service award!

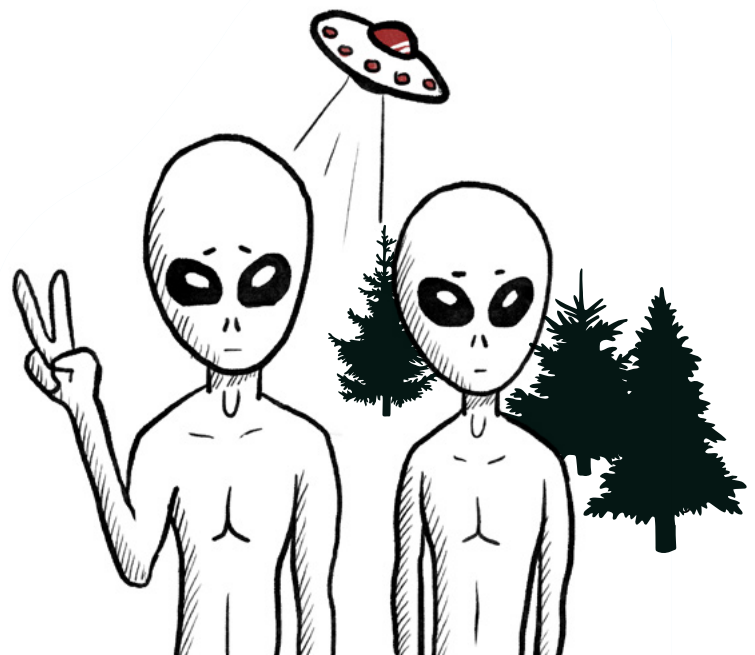
You may not work closely with the person you're celebrating, but you can play an important role in rallying team mates around their anniversary. In other words, if they're feeling like E.T., find their "Elliot"! Hearing from the right person on their service anniversary might be just the ticket to helping convey more appreciation, more kindness, and more support.

Involving people in service anniversaries can seem daunting, especially if you're an HR leader for a large company. There are ways to make it easier, however, like Awardco's Memory-Books™ that we mentioned earlier. It's an all-digital way to celebrate service milestones, which is a big plus for remote workers, millennials, and pretty much anyone that uses a phone these days.

When you involve more people, you'll increase the feeling of comraderie and support in your teams, and will create a pandemic of positivity that will help any outsider feel a little more human.

Survival Toolkit:

- Get to know the people around you.
- Learn what people might appreciate for a reward.
- Involve team members in recognitions for their team.
- Automate service awards and team participation, if possible.





Surviving the Workpocalypse

When all is said and done, service awards don't need to be scary. There's lots of ways to thrive through the workpocalypse—many of which are simple, straightforward, and ready-made to start doing right away. As a final perfunctory note on this survival guide, let's review our survival tips to building a bulletproof service awards program:

Personalize - When it's personal, it will mean more.

Tie it to performance - If it's linked to specifics, a service award will be more powerful.

Celebrate more often - If you're waiting to celebrate service anniversaries until the 5 year mark, it's 4 years too late.

Provide more choice - Nothing conveys value more than offering people the power to choose.

Start now - There are things you can do now, and they don't cost a dime.

Involve people - Humans need other humans, and when recognition involves others, it's more powerful for everyone.

Now you're ready to face the crazy world you find yourself in, and you now have some tips to achieve the best service anniversary awards program your organization has ever seen. We've equipped you with ideas and best practices that you can use as you head out into the glorious sunrise of another day—another day where you and your employees won't merely survive, you'll both thrive.

Contact Awardco for more information on how to make your service anniversary programs more than celebrating mere survival.

