

## Leverage reward and recognition strategies to drive culture

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- Reward programs reveal a lot about the culture of an organisation.
- Successful reward programs should encourage desirable behaviour and clearly signal behaviour that is undesirable.
- Place priority on not only what people achieve, but also how they go about it.



The decisions that are reached about who is recognised for what reasons communicate a lot about an organisation's culture. Reflect for a moment on what types of behaviours leaders in your organisation are encouraging (or discouraging) through reward and recognition decisions. To what extent does your organisation make behaviours matter when it comes time to make pay, bonus or promotion decisions.

The purpose of reward and recognition programs is to influence emotion, thinking and ultimately behaviour. Understanding the link between how people are acknowledged through praise or benefit, and the influence that in turn has on not only their own behaviour but that of other people is critical.

Successful reward and recognition programs not only reinforce desirable behaviours but make clear also those considered detrimental to the success of the individual, team or business. The following points outline the most important steps HR teams can take to drive culture through reward and recognition.



## Place priority on not only what people achieve, but also how they go about it.

1. **Create and maintain awareness.** Reward and Recognition programs are a great way to ensure every member of the team is keenly aware of the behaviours expected of them. Simply the existence of a program centred on alignment with organisational values can send a strong signal to people that conduct matters.

Regular communication about the program can support efforts to keep the importance of culture on the radar. Expecting managers and allowing team members to participate in the reward decisions that are made, is an important way of influencing engagement.

2. **Focus on outcomes and behaviours.** Place priority on not only what people achieve, but also how they go about it. Define success as being achieved only when goals are reached in ways that reflect, at a minimum, respect and integrity. Avoid the all too common mistake of undermining culture by rewarding people who achieve outcomes but behave poorly.

Set behavioural hurdles. Eligibility to participate in any type of incentive scheme or recognition program should be subject to achievement of clearly defined standards of behaviour. Ensure your remuneration policies, employment contracts and program descriptions clearly state the requirement to meet behavioural expectations so as to receive rewards.

3. **Recognise role models.** Acknowledge those members of the team who demonstrate great examples of the behaviours that are needed. Showcase what it looks like to be a successful member of the team by giving public praise and thanks to those you regard as champions of your culture.

Work closely with leaders to help them to identify members of their team that embody the organisation's values, and put strategies in place to support these people to learn and grow with your business. As people with strongly aligned values progress up through the ranks of your organisation the strength of your culture will grow.

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4. **Make no exceptions.** As retired Chief of Army and 2016 Australian of the Year, Lieutenant-General David Morrison, put it 'the standard you walk past is the standard you accept'. There is no clearer indicator to people that you have 'walked past' poor standards of behaviour, and therefore accept them, than when you reward or recognise a so-called 'high performing' bully.

No matter the level of income someone brings in to the business, or the seniority of their role, hold everyone accountable for how they choose to behave. Irrespective of the nature of their role or

authority they hold, someone who is having a detrimental impact on organisational culture or team engagement should not be rewarded.

5. **Be creative.** Look for a variety of ways to reinforce cultural expectation and positive example. Start by ensuring behaviour is reflected in bonus payment and promotion decisions, but look beyond and explore other ways people can be rewarded for being a champion of culture.

Peer nominated spot awards, for example, is one way to encourage people to recognise and value the right behaviours. Regular acknowledgment of great behaviour in updates from the CEO and inclusion of stories that reflect your organisation's values in your company newsletter are other examples of the ways you can drive culture through reward and recognition.

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