The Ultimate Guide to Employee Gift-Giving

A publication by gThankYou! Employee Gifts
THE ULTIMATE GUIDE TO EMPLOYEE GIFT-GIVING TABLE OF CONTENTS

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CHAPTER 1: WHY IT’S IMPORTANT

Do your employees truly understand how important they are to you?
Do they see how their work each day contributes to your overall mission?
Do they have a sense of empowerment in their jobs?

If not, you’re likely to lose your best employees.

A Society of Human Resource Management (SHRM) survey shows that insufficient recognition is among the top-three reasons employees leave their jobs.

SHRM member and human resources (HR) expert Susan Heathfield notes, “Employee recognition follows trust as a factor in employee satisfaction with their supervisor and their work place.”

In fact, Susan Cullen, president of Quantum Learning Solutions, Inc., cites several surveys showing the No. 1 thing employees say they want from their employers is full appreciation for their work.

“The survey results first came out in 1946 in Foreman Fact, from the Labor Relations Institute of N.Y. and was produced again by Lawrence Lindahl in Personnel magazine in 1949. This study has since been replicated with similar results by Ken Kovach (1980); Valerie Wilson, Achievers International (1988); Bob Nelson, Blanchard Training & Development (1991); and Sheryl & Don Grimme, GHR Training Solutions (1997-2001).”

EMPLOYEES WANT RECOGNITION!

Everybody wants to feel valued and appreciated—and that includes your employees. Recognition is among the top 10 things employees want from the workplace, according to a study by the Corporate Executive Board (CEB).

Forbes.com’s Meghan Casserly cites the CEB study:

“[This] study of 20,000 employees over the second half of 2011 took a look at the biggest driver of employee retention—that is, the reasons people choose to stay loyal to their company—and found that it’s not about the Benjamins.”

It’s critical to keep your best employees. Huffington Post contributor Carol Roth writes that, “while many are struggling to find work ... there are also many businesses struggling to find and retain top talent. For all businesses, but small businesses in particular, having
the right team in place is critical to business success and growth. Losing a key player can be devastating.”

This is a real challenge, she notes. In fact, according to a recent survey by CareerBuilder, approximately 21% of employees planned to switch jobs in 2014, the largest amount in the post-recession era, and up from 17% in 2013.

Phoenix Business Journal reporter Angela Gonzales cites a recent Harris Interactive poll that shows 18% of workers are dissatisfied with their jobs, up from 15% in 2013. Of those who are dissatisfied, 65% say they don’t feel valued.

**SAY THANK YOU!**

The CEB study shows compensation is not in the top 10 factors that make employees stay—they want to know their job matters. Say thank you. Find everyday ways to show your appreciation for their hard work and contributions.

A personal thank you means a lot to employees. Says Doug Conant, chair of the Kellogg Executive Leadership Institute at Northwestern University (former CEO of The Campbell Soup Company) in his Harvard Business Review (HBR) blog “Secrets of Positive Feedback”,

“Believe it or not, I’ve sent roughly 30,000 handwritten notes to employees ... over the last decade. While some react that thank you notes are a waste of time, Conant says in his experience they “build goodwill and boost productivity.”

Conant believes strongly that “making that connection early with employees, and always looking for opportunities to celebrate them, is a great way to strengthen your relationship.” He’s so passionate about this topic, he co-wrote a book around this subject that you might enjoy, TouchPoints:Creating Powerful Leadership Connections in the Smallest of Moments.

Employee satisfaction and engagement are closely connected; it takes focus and effort to build a culture of employee appreciation.
MANAGERS DON’T ALWAYS GET IT

A recent study by the International Association of Administrative Professionals and OfficeTeam, a staffing company in Menlo Park, California shows that managers don’t always get it:

- Managers ranked promotions and cash bonuses as the two most effective ways of recognizing employee accomplishments, yet...
- Workers preferred an in-person thank you or having a job well done reported to senior management.

MAKE YOUR WORKPLACE THE EXCEPTION

Employee appreciation is never out of place. It’s the cornerstone of employee engagement and research shows that engaged employees are more productive, more profitable, more customer-focused, safer and, well happier.

According to Gallup research, companies with “world-class engagement” have 3.9 times the earnings per share growth rate compared with those in the same industry with lower engagement. Gallup’s new 142-country study on the State of the Global Workplace shows only 13% of employees worldwide are engaged at work. That means only about one in eight are committed to their jobs and likely to be making positive contributions at work.

What Can You Do?

- Use every opportunity to demonstrate your gratitude to employees.
- Make it personal. Know your employees well enough to congratulate them on a good effort or celebrate a milestone.
- Look for ways to publicly express employee recognition. It doesn’t have to be formal, just sincere and heartfelt.
- Remember to celebrate teams and workgroups. Recognizing important group accomplishments can both reinforce company strategy and motivate workers.
- Present small thoughtful gifts occasionally as an opportunity to say, “bravo,” or “just wanted you to know we appreciate all the hard work you have been putting in recently.”
- Create a feedback loop so employees feel they can be a valued part of the process, even when it comes to recognition and reward policies.
- Train managers and hold them accountable—employee motivation is a key driver in achieving your business success.
- Finally, a personal handwritten note of thanks will always make your recipient feel valued. Do it as often as you can.
CHAPTER 2: WHAT’S IN IT FOR YOU?

Employee recognition and gift-giving reward programs are vital to your business’s bottom line. In *Inc. Magazine*, reporter Issie Lapowsky writes:

“It should come as no surprise ... that the most successful businesses are the ones that work the hardest to please their employees.”

And it’s true: Without your employees’ hard work, your business wouldn’t be what it is today. Here’s what else celebrating your employees does for your business:

**EMPLOYEE RECOGNITION CORRELATES WITH EMPLOYEE ENGAGEMENT AND SATISFACTION.**

As Heathfield says:

“Many measures purport that employee satisfaction is a factor in employee motivation, employee goal achievement, and positive employee morale in the workplace.”

A Business Research Lab article on employee recognition notes:

“In the employee satisfaction studies we have done, we’ve never found a firm with low employee recognition scores and high employee satisfaction scores.”

**ENGAGED EMPLOYEES HAVE A DIRECT EFFECT ON YOUR COMPANY’S BOTTOM LINE.**

The Gallup-Healthways Well-Being Index, which has polled over 1,000 adults every day since January 2008, shows that while Americans may be satisfied with their job security, and with other aspects of their jobs such as vacation time and retirement benefits, it does not necessarily mean they are engaged at work.

Engagement-focused managers increase productivity and success by creating an environment that energizes and motivates employees and teams, helping them reach the highest levels of performance.

Compared to workgroups with low levels of employee engagement, those with high engagement levels experience:

- 22% higher profitability
- 21% higher productivity
- 65% lower turnover
- 10% higher customer ratings
Teresa Amabile, a professor at Harvard Business School, and Stephen Kramer, an independent researcher—co-authors of The Progress Principle—write in the New York Times that “when people don’t care about their jobs or their employers, they don’t show up consistently, they produce less, or their work quality suffers.”

An appropriate reward program will improve employee performance and engagement by increasing employees’ interest in accomplishing company goals. A study by the International Society of Performance Improvement (ISPI) found:

- An effectively designed and well-executed incentive program can improve performance by an average of 22% for individuals.
- Incentives offered for persistence toward a company goal improved performance by an average of 27%.

This research proves what a powerful motivator the right incentives can be.

**5 WAYS AN EFFECTIVE RECOGNITION AND REWARD PROGRAM BENEFITS YOU**

**1. Motivates Employees to Work Harder**

Robert Bradford, president and CEO of CSSP, Inc. agrees. On his website he writes:

“Rewards—whether monetary or not—for performance that’s consistent with your strategies are extremely powerful tools for creating alignment between your employees’ motivations and the strategic direction of the company.

*In addition, failing to reward performance can be a serious de-motivator for the best employees, and can contribute to a feeling of dissatisfaction.*”

**2. Reduces Costly Turnover**

Engaged employees are less likely to leave. As Joyce L. Gioia, president of the Herman Group, writes in Industry Week:

*Wise executives know that few aspects of leading are more important than employee engagement. They know there is a direct correlation between employee engagement and bottom-line profitability.*
“Why? Because employee turnover is expensive. It costs organizations billions of dollars every year to lose valued employees. Engaged employees are happy and fulfilled; they have no reason to consider leaving.”

And Forbes contributor Renee Sylvestre-Williams writes:

“Managers who don’t create the right opportunities for their employees, don’t communicate with them, and don’t appreciate them often find themselves dealing with a high turnover rate.”

Recognizing employees’ contributions on an ongoing basis helps employees perceive the work environment as favorable, decreasing costly absenteeism and employee turnover.

3. Improves Productivity and Increases Return to Shareholders

A CEB Corporate Leadership Council report notes reward and recognition programs can be a cost-effective and valuable tool to increase employee morale, productivity, revenue, and profits as well as lower turnover, absenteeism, and stress. The report also finds:

- A recent study by the Society for Incentive and Travel Executives shows that properly constructed rewards and incentive programs can boost employee performance by up to 44%.
- A Watson Wyatt Worldwide study found that companies with an effective recognition program realized a median return to shareholders nearly double that of companies without such programs.

4. Helps Attract Top Employees

Competition to attract and keep the best employees is intense, and the right recognition and rewards can also help with recruiting efforts. As an article by Amy R. Hurd, Robert J. Barcelona, and John T. Meldrum at Human Kinetics.com observes:

“Just as happy customers may be the best advertisement for a particular product, happy employees are often a great tool for recruiting new employees and making the organization a workplace of choice.”

An organization that stands out from its competition as a great place to work can attract the best and brightest. This creates what the article calls “a virtuous circle whereby [the organization] becomes an even more attractive workplace.” Establishing the right reward structure for an organization is critical to establishing a standout image.
Journalist Rhonda Campbell, notes that attracting and recruiting highly skilled workers is always a key challenge for business owners. The Department of Labor’s Bureau of Labor Statistics (BLS) reports that there were approximately 4.7 million job openings in June of 2014.

“Finding the right talent to fill these open jobs is what business owners, their management teams and human resource professionals continue to try to figure out,” Campbell writes. “Employee benefits and rewards programs that meet the demands and wants of the workforce can help employers like you to attract quality job candidates.”

Bradford believes companies need an arsenal of goodies to attract top people:

“While it’s always a good idea to give employees a piece of the action, you must remember that there is a wide array of rewards to offer employees. If you resort to the simplest of these—money—you may soon see your bottom line turning red.

*What your company needs is a series of attractions that will turn it into a Disneyland for your workforce. These attractions, however, must be affordable and aligned with your strategy.*”

Perks can include things you might not have considered. The best of them are perceived as somehow unique. You have many options, including non-monetary ones. Gifts that appeal to top performers don’t have to cost top dollar.

### 5. Helps Retain Top Performers

Recognition and rewards help retain your best employees too, which has bottom-line importance, as author and leading executive educator Marshall Goldsmith writes in *Harvard Business Review*:

“Leaders must manage their human assets (i.e., employees), and they must do so with the same vigor that they devote to financial assets. In tough economic times, this may seem difficult; however, it is critical for the success of the organization.”
Heathfield emphatically believes retaining top performing employees is key to the long-term health and success of your business. She writes:

“Managers readily agree that retaining your best employees ensures customer satisfaction, product sales, satisfied coworkers and reporting staff, effective succession planning and deeply imbedded organizational knowledge and learning.

If managers can cite these facts so well, why do they behave in ways that so frequently encourage great employees to quit their jobs?”

“Frequently saying thank you goes a long way. Monetary rewards, bonuses and gifts make the thank you even more appreciated.”

FAILING TO RETAIN A KEY EMPLOYEE IS COSTLY

As Goldsmith writes:

“Developing people is a strategic process that adds value to both the employees and the bottom line of the organization. Highly committed, highly competent people create financial rewards for the organization; organizations that develop their people and provide opportunities for growth are sought-after by high-impact performers.

Great leaders know this simple formula. They understand it and strive to create an environment that supports it. And the result is success!”
CHAPTER 3: HOW TO DO IT RIGHT

Research shows that an effective recognition and reward program—which requires understanding who, what, and when to reward—can improve employees’ performance and your bottom line.

A CEB Corporate Leadership Council report cites Jim Brintnall, author of What Makes a Good Recognition Reward?, who uses the acronym SSMART to advise employers how to design an effective program. SSMART Rewards Programs:

- Support Organizational Goals and Values
- Sincere and Simple
- Meaningful
- Adaptable
- Relevant
- Timely

But, Bradford notes, be careful, the improper use of rewards can have a debilitating effect on employee performance.

“Managers need to understand their employees’ perceptions of the importance and fairness of the reward and then clearly communicate what needs to be done to receive the reward.”

DETERMINE YOUR RECOGNITION STRATEGY

Your first challenge is to develop a recognition strategy that supports your business priorities and values. According to Roy Saunderson’s How to Get Your Recognition Strategy Right, you should create both a recognition purpose statement—what’s your reason for creating this plan, and a recognition philosophy statement outlining why you believe it is important to your business.

With your strategic recognition plan in place, you can then go about determining the best tactics to achieve your goals for recognition. A few tips to remember:

1. Consider Rewarding Teams vs. Individuals.

Most businesses will want to identify ways to recognize and reward both teams (or work groups) as well as individuals. Recognizing a team’s success or effectively working together reinforces strategic values and business goals while making contributors feel valued.
2. Consider Occasions.

By considering business cycle and planned occasions, businesses can often find creative, cost-effective ways to celebrate employees on an ongoing basis. Popular occasions to recognize include:

- **Life events.** Birthday, years of service, etc.
- **Workplace goals.** How do you measure workplace goals? Daily, weekly, monthly? Then establish recognition activities to tie in to these occasions.
- **Firsts.** First sale, first new account, first perfect safety record, etc. A perfect opportunity for recognition.
- **Holidays.** Yes, we are all kids at heart. Who doesn’t appreciate the flexibility to leave early to trick or treat with their kids as a bravo or an unexpected Candy Gift Certificate for Mother’s Day to a hard-working division?

- **Team Accomplishments.** Host a team pizza party or an all-family ice cream social to celebrate a workgroup. Even a thoughtful working lunch can be turned into an opportunity to thank employees for moving your business forward.
- **Special Events.** If an employee wins an award, lands an important customer or completes a big push to meet an important business goal, share your gratitude personally and publicly recognize all involved. Launching a new product or service? Invite the whole development team or the whole company to a launch kick-off, not just sales and marketing.

3. Create a Recognition Planning Calendar.

Once you have determined your tactics, it’s helpful to have a calendar that keeps track of your recognition activities and plan ahead as needed.

**DEFINE YOUR BUDGET**

Deciding what to give and how much to spend can be challenging. Determine your budget parameters and consider whether you want to find a gift solution that would be appealing to all employees or whether you should segment your gift-giving strategy. A successful recognition plan should include both monetary and non-monetary rewards.
A blog post at TargetMarketing.com advises:

“It’s best to decide how much your business can afford to spend on employee gifts, and then do the math to determine how much that translates to per employee. If appropriate, you may want to divide employees into various tiers and determine gift spending limits based on those tiers.”

DETERMINE THE TYPES OF GIFTS THAT BEST MEET YOUR OBJECTIVES

Popular gift categories that have proved to be successful in the workplace:

- **Convenience Gifts.** Provide a special parking slot to workers for their outstanding performance; provide executive lounge access to employees for a month, longer lunch breaks, a paid vacation or maybe a paid half-day on a Friday. Often these are used as individual or team recognition rewards.

- **Catalog Gifts.** Allow workers to place orders for gift items from a gift catalog. Under such an incentive program, employees can collect reward points over a month and choose a gift as a reward at the end of the month. Such employee incentive ideas allow the company to recognize workers and give the employees the freedom to choose their own rewards.

- **Tickets to Special Events.** Award tickets to a theatrical show or even a popular concert as a productivity bonus.

- **Cash.** While every employee enjoys a cash gift, business owners say creative gifts earn more bang for the buck.

- **Food.** Food is a perennial gift favorite because it has almost universal appeal. Holiday turkeys consistently fall in the top of the best employee gifts list in the “food as family perk” category. The gift of a turkey at Thanksgiving and holiday times holds a unique place as a meaningful and affordable gift that appeals to everyone.

- **Gift Cards or Gift Certificates.** A gift card or certificate to a local business can be a good employee gift as long as you choose a business that represents the values you want to portray. Employees love the flexibility of a gift card or gift certificate.
Popular Non-Monetary Awards:

- **Letters of Appreciation.** Nothing beats a handwritten note of appreciation personally delivered by the boss. Publicize recognition for a job well done in a company newsletter or event. Remember, what employees want most is recognition by their management for their hard work and contributions.

- **Flexible Hours or Job Sharing.** Many employees are grateful for a flexible work schedule to manage home or health issues. Tie it to recognition of a job well done. It’s a perk that may not cost you anything but pays dividends in motivation and satisfaction.

- **Consider opportunities for peer-to-peer recognition.** It’s a great way to boost the morale of the entire workgroup. Make it public such as via a “gratitude board” with nominees receiving a small gift of thanks.

- **Learning Opportunities.** Whether it’s a chance to be invited to a sales meeting, technical demonstration, customer call or product launch, your company undoubtedly has lots of opportunities to reward employees with involvement in a learning experience that would benefit both of you.

**MAKE IT FAIR**

Regardless of what types of gifts you choose, it’s important to design an effective employee recognition and reward program that employees don’t view as a “favoritism scheme.” TargetMarketing.com recommends you consider the following to aid in developing a fair program:

- Determine why you want to put an employee incentive program in place. Do you want to achieve better attendance, improve customer services or bring out innovative ideas to save time and money?

- Communicate to the employees what the reward is for and how the program will help. The more open you are about the program, the better employees will receive it.

- Explain who is eligible for the program. Explain why some might not be eligible, if any.

- Get employees’ feedback on what would satisfy them and compel them to perform better, and encourage people to come up with their own employee incentive ideas for your program.

- The employee incentive ideas you choose should motivate people to improve their work rather than just becoming another office popularity contest. Devise a plan wherein employees as well as managers nominate candidates to be rewarded.
• Consider opportunities for peer-to-peer recognition. It’s a great way to boost the morale of the entire workgroup. Make it public such as via a “gratitude board” with nominees receiving a small gift of thanks.

• Be honest about the entire employee reward program. If you have a small fund allocated to it, convey this to the employees.

Heathfield raises the question: Is it ever okay to nominate people or projects and just vote? Answer:

“Only for trivial, fun events and prizes. Nothing of significance should ever be treated as a popularity contest.”

Effective, fair, employee recognition is motivational for both the employees receiving recognition and their coworkers, Heathfield concludes.

*But be sure to check with your tax attorney before employing any gift as it may be taxable to the recipient.*

**IT’S ALL IN THE DELIVERY**

Whether it’s with a gift of a Thanksgiving turkey or a handwritten thank-you note, your gratitude will be appreciated and have lasting effects. Deliver your gift personally to employees, with a handshake, a smile and a thank you. If that’s not possible, be sure to send your gift to employees with a thoughtful note of appreciation.

After all, as Doug Conant, former Campbell’s Soup CEO and the architect of a successful turnaround there says, “You’re on display 24/7. It’s not the words on the wall; it’s how you show up in every interaction.”
CHAPTER 4: BEST EMPLOYEE GIFTS

Finding a one-size-fits-all incentive reward can be difficult, if not impossible. Companies must find gifts that will motivate a vast array of employees across all levels of the organization.

WHAT DO EMPLOYEES REALLY WANT

Employees want gift certificates and gift cards!

According to a recent study by Incentives Magazine, 8 out of 10 employees report that they prefer gift certificates or gift cards over other incentives:

- They provide choice—recipients can buy what they want, when they want to.
- They empower. My employer wants me to decide what I would like.
- They can be shared with family and friends.

Employees associate their enjoyment in their gift certificate or card purchases with the value their employer places on their contributions. This feeling of value leads to happier, more productive employees.

GIFTING TIPS

Tory Johnson, workplace contributor for Good Morning America and CEO of WomenForHire.com, lists her top four employee gift tips in Winning Workplace Gifts:

1. Cash, gift certificates and gift cards always top the list of favorite gifts.

2. Avoid anything too personal. If you’d rather buy a gift over giving money, avoid overly personal gifts such as perfume, lingerie, liquor or religious items.

3. Make a donation in your recipient’s honor to the charity of your choice. This is especially good if you need a non-cash idea or you don’t want the value of your gift revealed.

4. Remember, don’t re-gift, because you never know who will recognize that cute knick-knack you received last year.
OTHER PROVEN GIFT TYPES

Laura T. Coffey, contributing editor at NBC News’ Today page, in her article, Office gift-giving: Pens good, body spray bad shares her own and several experts’ best gift tips:

- **The practical gift.** Nancy Soriano, a lifestyle expert and a spokeswoman for Office Depot, tells Coffey functional, practical presents are sure to be appreciated for months to come—and there are all sorts of ways to personalize them in just the right way. She suggests items like desk speakers, earbud headphones, cute desk organizers, personalized mugs, monogrammed stamps—tailor-made specifically with someone’s name or initials, so they can always create personalized stationery—and USB flash drives.

- **The group gift.** Let’s say you regularly work with a team of people in another part of the country. Or let’s say you and your direct coworkers really want to join forces and do something thoughtful for your boss, or for the team’s administrative assistant, or for a valued client. Here’s where the group gift can be a genius move.

  You can become a hero to that faraway team if you send the whole group something such as a nice coffee maker along with a variety of fun coffee and tea blends, Soriano suggests. Or, alternatively, you could gather a group of people — such as your team of direct coworkers — and make someone’s day by presenting a gift from the whole group along with a card that everyone signs.

- **The thoughtful, handwritten card.** Speaking of cards, here’s something that’s always welcome: a genuine note of thanks to each individual who helps you do your job well throughout the year.

  “I really do think handwritten notes are important,” says Peter Handal, chairman and chief executive of Dale Carnegie Training. “In today’s day and age we all communicate by texting and email, and it’s such an assumed way of doing things, but that makes a simple little handwritten note that much more meaningful.”

DO IT RIGHT!

Coffey says of employee gifts:

“Do it right, and you can make your boss, coworkers, clients and assistants beam with a warm and happy glow. Do it wrong, and—hoo-boy. Pray for:

a) Mercy

b) Short memory spans.”
GIVE IT SOME THOUGHT

But it’s the thought that counts, right? That’s what Sue Vering, senior vice president at FCB Global, asks in a Chicago Tribune article.


“Every time I hear someone say ‘it’s the thought that counts’ as an excuse for just giving anything, I think to myself, ‘No. It’s clear you just didn’t give this any thought,’” Athay says in the article.

It’s true, you do have to think first before buying employee gifts, but some items are tried and true.
CHAPTER 5: POTENTIAL GIFT-GIVING PITFALLS

Certain workplace gifting practices are fraught with peril. That goes for the rewards strategy itself and the gifts given.

STRATEGIC MISTAKES

1. **Do nothing.** Why would your employees give their best when they don’t feel the best is given in return? It makes a world of difference to be acknowledged for doing a good job. Show your employees you care, and they’ll work even harder and smarter. When your employees don’t feel your appreciation, their morale slips, their attitudes plummet, and they lose their drive to serve your customers well. They believe good performance doesn’t matter, or you would have taken the time to say thank you.

2. **Waste time.** In many companies, employee morale and/or gift-giving committees have endless meetings trying to determine the perfect employee incentives from “company reward” catalogs. Employees generally don’t want another pen with the company logo.

3. **Achieve little or no memory value.** Find a gift that’s strongly related with your company and expresses your gratitude—one that says, “Thank you for all you’ve done. You’re special to me.” Give them a flexible, convenient gift that lets them shop at their preferred store, choose what they want, and enjoy it with family and friends.

4. **Assume one size fits all.** When you let your employees choose their own gifts you are not only acknowledging their work throughout the year, you are empowering them to make their own decisions.

5. **Single employees out arbitrarily.** Those employees who are not nominated for recognition, and who don’t understand the criteria for the bestowal of the reward, are generally negatively impacted by the employee recognition. This is especially frustrating when the employee believes their contribution was equivalent or even better. Or, the employee recognition becomes a joke (must be your turn to be employee of the month) or a de-motivator (I didn’t get nominated so forget it when you need help again some time).

GIFT CATEGORIES TO AVOID

Some types of gifts generally bomb. Says Coffey:

“Small, thoughtful tokens of appreciation are ideal, gift-giving experts say; gifts that are too sensitive in nature, too personal, too expensive or even a teeny-tiny bit offensive are bad moves.”
She quotes Soriano:

“The people you work with are kind of like a second family, and they can feel like family—but they’re not. Never give something that’s too personal or too intimate.”

What might fall into the “too personal” or “too intimate” categories, Coffey asks. The Internet might not be able to house her article if it spelled out all the possibilities, she quips. But here are some generally agreed-upon no-no’s:

- **Perfume or cologne.** Don’t imply that you wished your colleague smelled better.
- **Clothing.** Aside from, say, a very-very safe shirt with a company logo ... but then, do you really want to venture a guess at someone’s size?
- **Gag gifts or other presents that might strike you as hilarious** but may not seem funny to others at all—especially if the comedy is tied to stereotypes or sexual innuendo.
  - **Anything overtly religious.** Yes, it’s Christmas—but not everyone you encounter in your work life celebrates the holiday. Generally speaking, it’s safest to take a more secular “Happy Holidays” or “Wishing You a Wonderful New Year” approach at work.
  - **Alcohol.** This choice is often too risky unless you know the recipient really well, because you just never know.

Coffey notes Peter Handel, chair and CEO of Dale Carnegie Training, still cringes when he thinks of the champagne incident. A few years back he decided to treat his company’s top producers to a weekend getaway. As a special touch, he had nice bottles of champagne sent to each person’s room.

“There were 24 people there, and 23 thought it was wonderful,” he recalls. “But it turned out that one of the people was Muslim and did not drink alcoholic beverages. ... He was very gracious about it, and I didn’t offend him, but shame on me! It was very embarrassing.”
CHAPTER 6: EXAMPLES OF SUCCESSFUL EMPLOYEE GIFT-GIVING IN ACTION

Many organizations offer effective employee rewards programs that help meet their goals. Here are a few examples of successful employee gift-giving in action:

PURDUE UNIVERSITY EMPLOYEE RETENTION STRATEGIES

The competition for qualified college faculty and staff is fierce, and Purdue University has a reward and gifting program that helps it welcome new employees and makes them want to stay. The university offers an online employee retention guide that’s a resource for all supervisors in their efforts to retain qualified and engaged employees.

The guide covers creating a welcoming environment during the interview, after the accepted offer, on the first day of work, and beyond. It also covers two-way communication and other retention tools, including rewards and recognition.

University management suggests supervisors find personal ways to recognize and reward employees outside the arena of compensation and benefits in ways meaningful to the employees. Ideas include recognizing birthdays, providing gifts of food, and writing personal thank you notes.

EMPLOYEE GIFT CERTIFICATES AT U.C. BERKELEY

As for many businesses, managing and embracing diversity is becoming increasingly important for U.C. Berkeley as minority populations continue to grow in the U.S. That’s one reason the University’s Facilities Department wants to embrace diversity in its workforce. To help the department do so, its members developed an employee recognition program that allows supervisors and managers to thank employees with on-the-spot gift certificate awards in varying amounts.

Supervisors are empowered to give instant recognition at the $25 level, and amounts above that level are available to give but require the vice chancellor’s approval. The department also acknowledges award recipients in its monthly newsletter.

Employees identified the need for a reward and recognition program, and confirmed they’d value gift certificates of gratitude. Top management supported implementing the program and provided funding—both of which U.C. Berkeley’s HR department emphasizes are essential for a successful employee giving program. Facilities services generates a quarterly report to measure program results and keep management apprised.
The program gives supervisors an engagement tool to acknowledge exceptional work-related accomplishments on the spot. U.C. Berkley reports tangible improvements to the department as a result of adopting the employee giving program:

- Improved communication and employee morale
- Increased employee motivation to improve performance
- More harmonious work environment and culture

The program meets the needs of a diverse workforce, since employees identified the need, developed the process and have ongoing input. In fact, managers and supervisors believe the giving program is so successful and is worth replicating because management listens to staff-identified needs, includes staff in the decision-making process, and provides opportunities to give feedback.

**PERKS OF WORKING AT GOOGLE**

Ramona Emerson, associate tech editor of the *Huffington Post*, calls Google “the king of corporate perks.” She says the organization is banking on “way beyond basic” benefits to lure top tech talent to its Mountain View, Calif., headquarters.

“How important are free haircuts to your work life? What about free food? Or eyebrow shaping just steps away from your office?” she asks. “The company has already succeeded in distinguishing itself from the competition: [Google tops] *Fortune’s* list of the 100 best companies to work for.”

She continues: The 26-acre campus, or Googleplex, offers pretty much every amenity even the choosiest employee could ask for. As executive chairman Eric Schmidt wrote in an explanation of Google’s benefits:

“The goal is to strip away everything that gets in our employees’ way [...] Let’s face it: programmers want to program, they don’t want to do their laundry. So we make it easy for them to do both.”

Some might say the only perk you really need at a job is a paycheck, but not to worry, Googlers get that too. In fact, they probably make much more than most people. According to recruitment specialists at Dice Holdings, the average tech employee in Silicon Valley makes over $100,000 a year.
PRET-A-MANGER VALUES EMPLOYEE ENGAGEMENT

Dan Spiegel, a senior consultant for branding firm Interbrand opines: Beyond speed and freshness, “Pret” really differentiates itself on the experience it offers. As you approach an army of cashiers on your way out of the store, you’re greeted by smiling employees conveying excitement as they help you move through the line at lightning speed, he writes.

No doubt, he adds, scaling this type of experience at the rate Pret has grown is no easy task. To do this, the company has very strategically aligned its employees to the superior experience it seeks to deliver to customers.

This alignment is present in every phase of the employee’s journey with the company—from the experience of applying for the job through getting promoted. Prospective employees are sent to work in a store for a day where the team in place will, after a few hours, determine if the candidate exhibits the right level of customer orientation to get the job.

Once on the job, the employee finds him- or herself part of a team that’s collectively incentivized to deliver the highest level of cheer to customers possible. When employees receive a promotion, they’re given $50 – $100 that they’re required to give back to the colleagues who helped shape their careers along the way.

As the brand continues to grow, no doubt other brands will look to react by pulling on the traditional levers: product innovation, price, and scale. However, pulling on these levers promises only periodic spikes in business performance, not the sustainable value generated from real strategic alignment.

The lesson for brands? Focus more on aligning your employee base behind your business strategy to deliver a richer customer experience.

DATOTEL BUILDS A CULTURE OF EMPLOYEE APPRECIATION

Nadine Heintz, a senior editor at Inc. Magazine, details how Datotel overhauled its employee appreciation, recognition, and incentive programs.

David Brown thinks it’s important to make his employees feel valued. So Brown, founder and president of Datotel, an IT services and data storage business in St. Louis with 38 employees, was dismayed when he realized his employee-of-the-month program wasn’t helping morale.

It seems like a simple concept: Make employees feel appreciated, and they will work harder and be more loyal. But there’s often a disconnect between the type of appreciation employees want and what their managers think they want.
Though a decent bonus will always be a highly coveted form of recognition, employers often underestimate the degree to which workers value kind words delivered face to face. That may sound like good news for companies looking for inexpensive ways to show appreciation to employees. In many ways, though, it’s easier to hand out a bonus than to create a culture in which saying thank you is a regular occurrence.

Brown admits an employee-of-the-month program seemed like the least time-consuming way to make sure his staff continued to feel appreciated as Datotel grew. Based on information gleaned from employees during informal conversations, however, he realized a less rigid, more personal approach was in order. To encourage his eight-person management team to get in the habit of reporting employee accomplishments, he set aside part of his daily morning phone call with senior executives to discuss exemplary work, in addition to 15 minutes in the middle of each weekly management meeting. When an employee did something praiseworthy, Brown encouraged someone other than his or her direct manager to say thank you in person.

Brown also made a conscious effort to thank employees several times a week, often through handwritten notes mailed to their homes. “At a tech company, it’s all too easy to just write emails,” he says. “It takes time to sit down and write out a note, but it goes a long way.”

Stephanie Lewis, an engineer who joined Datotel three years ago, was pleasantly surprised to find a note from Brown in her mailbox this past June. In the note, handwritten on Datotel stationery, Brown noted Lewis had been praised during several recent management meetings for working closely with a customer and thanked her for her hard work. “It made me feel important to get something so personal and unique, especially since I’m sure David has several hundred other things swirling around in his head,” Lewis says.

ZOOSK.COM’S GIFT-GIVING SUCCESS

Thinking beyond—or in addition to—the checkbook when giving employee gifts lets staff members know they’re appreciated, writes Inc. Magazine’s Sara Hottman in How to Choose a Holiday Gift for Your Staff, excerpted here. “We work hard, we play hard,” says Paul Vagadori, senior human resources director for San Francisco-based Zoosk.com, an online dating community.

“Our group is very hard-working in a fast-paced environment. We want to show we care, we appreciate, we value the above-and-beyond they go to, and we want to show them we’re willing to invest time and money for what they do.”
Business owners say involving the group in a gift boosts worker morale, and the most all-inclusive gift is a holiday party. Zoosk.com throws several holiday parties, starting with a Thanksgiving potluck where the company provides the main dishes and its 70 employees bring a special dish.

“It’s a family gathering of sorts, especially for the international folks,” Vagadori says. “We wrap some tradition into it as well so they can see how we celebrate here in the States.”

In the middle of December, the company throws a casual, beer-and-chips party for employees, followed up by a more formal event at a posh location at the end of the month. Employees can bring dates and the company stocks the venue with TVs, Wii games and gambling tables. A professional photographer captures everyone at the party, and on the way out, everyone gets a photo in a brushed-nickel frame. “It’s little things, but it’s little things that make the big deal,” Vagadori says.

Another meaningful gift is time off—extra free days around the holidays, or as an excursion gift. Vagadori says Zoosk.com gives generous time off around the holidays so employees don’t have to take personal days to enjoy the holidays. Also, the company gives employees merit-based year-end bonuses that aren’t associated with the holidays, but conveniently come around the gift-giving period.

Token gifts—items that don’t cost much but are useful, not clutter—supplement the intangible gift of a fun time at a company party. This year Zoosk.com’s token gift will probably be an insulated travel mug with the company logo. “It’s not meant to be a huge dollar amount, but it’s nice, not cheap and tinny. It’s worthwhile to invest and get a nice one for everybody,” Vagadori says. “And it has a dual purpose—it’s environmentally friendly so we’re not burning through cups for water and coffee.”

Giving gifts of parties, corporate yearbooks or special time off are appreciated, business owners say, but add that giving employees an avenue to donate food and gifts to charities during the holidays is another morale-boosting gift.

“It helps with morale on another end,” Vagadori says. Zoosk.com does a giving tree where employees buy gifts for a needy family. The company also collects food for a food bank, “with a healthy competition over who can bring in the most weight in food,” he says. “This way, individuals who work in a nice environment, and who are happy to have jobs, can give back. It’s nice to be on the giving end.”

As you choose your staff’s holiday gifts, use creativity—it saves money, keeps uniformity, and adds an element of fun to cap the work year.
CHAPTER 7: RESOURCES

Online information about employee gift-giving, recognition, engagement, and related bottom-line impacts abounds. Here are just a few of the resources you can use to find out more:

3 Ways To Increase Employee Retention
Business Research Lab
CareerBuilder: One in five plan to change jobs in 2014
Conant Leadership
Corporate Executive Board
Doug Conant
Forbes.com
Gallup, Inc.
Gallup State of the Global Workplace study
Inc. Magazine’s “How to Choose a Holiday Gift for Your Staff”
International Association of Administrative Professionals
Internal Revenue Service (IRS)
International Society of Performance Improvement
Purdue University Employee Retention Guide
Roy Saunderson’s, “How to Get Your Recognition Strategy Right”
Society for Human Resource Management (SHRM)
WorldatWork and Workspan Magazine

Special Thanks To:
Purdue University
UC Berkeley Facilities Department
Google
Pret-a-Manger
Datotel
Zoosk.com
Judy Dahl is owner and principal of writing and communications firm JKD Communications, LLC, in Madison, Wisconsin. She develops and edits website text, blogs, social media, magazine articles, books, online educational programs, marketing materials, and other communications on a wide variety of subjects. She has a BA degree from the University of Wisconsin – Madison and an MBA from the University of Phoenix.
ABOUT gThankYou! EMPLOYEE GIFTS

gThankYou!® Turkey Gift Certificates & gThankYou! Turkey Or Ham Gift Certificates are two of America’s favorite employee gifts and can be redeemed for any Brand (Turkey or Turkey Or Ham), at any major Grocery Store in the U.S.

gThankYou provides company leaders with a variety of easy, meaningful and affordable ways to recognize and reward employees, holiday-time or anytime. gThankYou! Certificates of Gratitude™ and our free Enclosure Cards are personalizable, including incorporating your Company logo. And, nearly all orders ship same day.

To learn more about gThankYou! Certificates of Gratitude, please:

- Visit our website www.gThankYou.com
- Watch our gThankYou! YouTube Video – “Learn More About Us”
- Download our free 2-page gThankYou! Brochure
- Follow our Company Blog – “Celebrating Work”
- Join the Conversation @gThankYou & Google+
- Download our Thanksgiving or Winter Holiday Enclosure Card Design Catalogs – All free with any purchase of gThankYou! Gift Certificates.

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