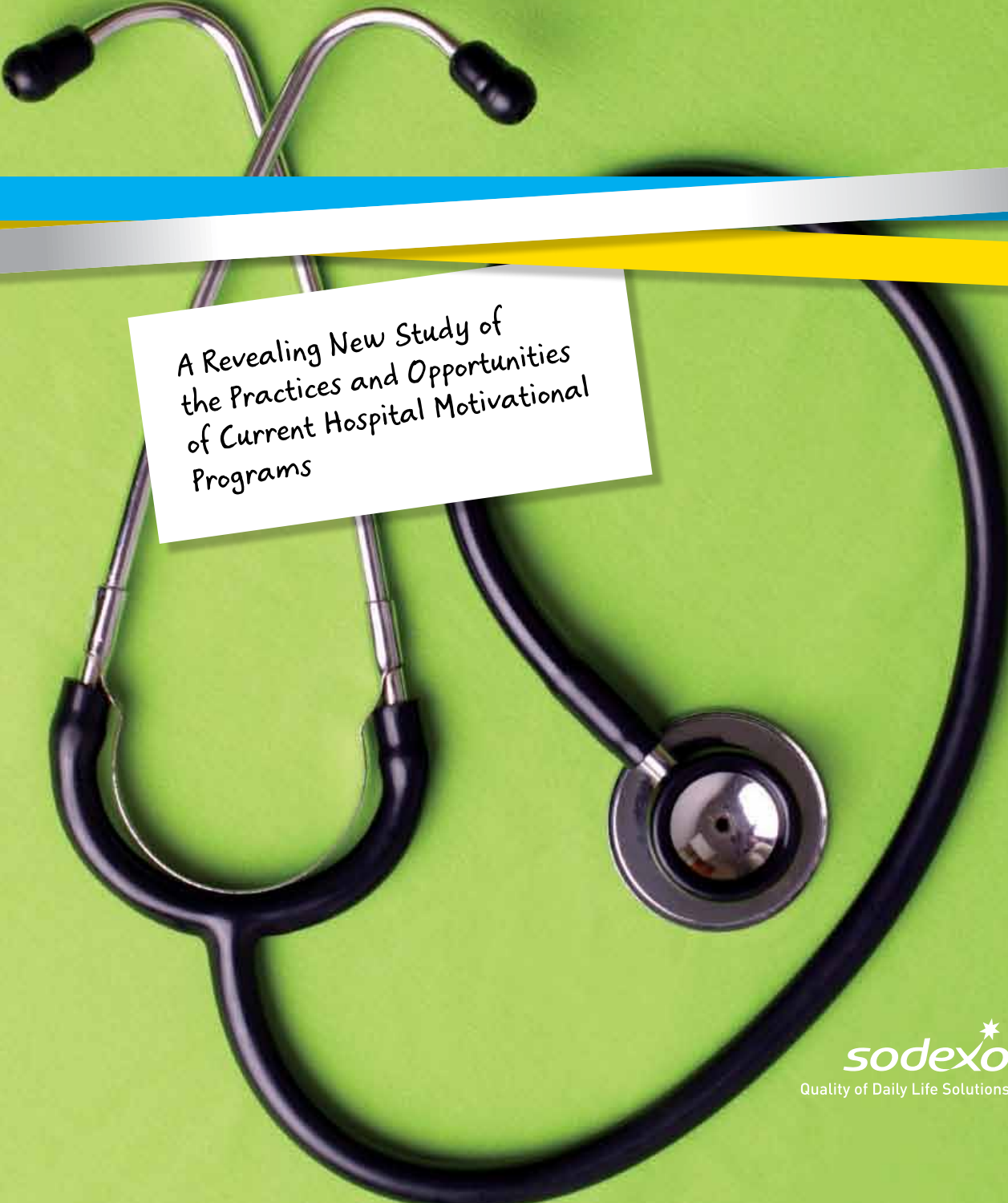


RECOGNIZING AND REWARDING HOSPITAL EMPLOYEES

A black stethoscope is laid out on a green background. A white rectangular note is placed over the stethoscope's tubing. The note contains text about a study on hospital motivational programs. The stethoscope has two earpieces at the top and a chest piece at the bottom right. A blue, grey, and yellow horizontal band runs across the middle of the image.

*A Revealing New Study of
the Practices and Opportunities
of Current Hospital Motivational
Programs*

CURRENT STATE OF AFFAIRS

Recognizing and rewarding employees for exemplary behavior is hardly a new idea for hospitals. In fact, most senior hospital executives believe these motivational activities are critical to their hospital's success. Consequently, most U.S. hospitals have some type of formal recognition and reward program in place to ensure that these activities unfold in an organized and systematic manner.

But the question remains:

What constitutes a successful recognition and reward program for hospital employees?

Are there a set of Best Practices that define success?

This is the question Sodexo Motivation Solutions set out to answer in 2010, with the help of Benenson Strategy Group. Sodexo Motivation Solutions is one of the world's leading provider of comprehensive incentive and recognition solutions. Benenson Strategy Group is a major research firm specializing in in-depth market studies.

Between May and August 2010, Benenson Strategy Group conducted in-depth interviews with C-Suite executives, human resources representatives and department heads at industry-leading hospitals across the country. The results of this comprehensive study are discussed below.

THERE IS AN UNQUESTIONED NEED

This study confirmed what most hospital executives already know. Hospitals across the country unanimously view employee recognition and reward programs as critically important to meeting their strategic goals and aligning their workforce with the organization's mission and values.

They look to these programs to:

- Improve employee retention and recruitment
- Improve quality of care
- Encourage specific behaviors



Highlights From Leading Hospitals

- Recognition and reward programs are critically important to the success of the hospital and achieving its business goals and mission—however, they are difficult to monitor and measure.
- Executives are not sure that hospitals are maximizing the full benefit from existing programs in regard to the following:
 - Employee participation
 - Participation of managers involved in programs
 - Clear understanding of program goals
 - Return on investment

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AN OPPORTUNITY TO REDUCE COMPLEXITY IN RECOGNITION AND REWARD PROGRAMS

The study found that employee recognition and reward programs vary widely from hospital to hospital. There is little consistency in type, size, scope or oversight.

Many hospitals have multiple programs—both formal and informal. Formal programs tend to be hospital-wide events that are structured and align with the organization's business goals and values—for example, employee of the month. Informal programs tend to be department-run events that encourage spontaneous appreciation, and which are not usually measured or tracked. The biggest variations between hospitals are at the department level where programs are usually “homegrown” and built to fit what are perceived to be unique needs.

Some hospital leaders and human resource managers see this “patchwork” approach as beneficial because it is perceived to give each department ownership over their own program. However, this “patchwork” approach is recognized to have several drawbacks, including:

- Confusion as to which types of recognition to use at which time
- Uneven participation among departments
- Difficulty in tracking program results and inability to link those results to other organizational performance indicators

COSTS VARY WIDELY

Not surprisingly, the study revealed that the cost of recognition and reward programs varies widely from hospital to hospital, without any apparent correlation to hospital size. Moreover, because of the layered nature of most programs, the total cost is never known.

Lack of clear benchmarks and incomplete spending information are areas of concern for hospital leadership. This lack of data makes it difficult, if not impossible, to calculate a return on investment.

Some hospital executives appear open to streamlining their piecemeal programs in hopes of reducing costs. The perceived challenge to that is keeping a level of autonomy at the department and supervisory level.

USE OF TECHNOLOGY IS LOW

One of the surprises of the study is the limited use of technology in hospital recognition and reward programs. Only a few hospitals have contracted with outside vendors to provide technology that enables employees, managers and patients to easily nominate employees for awards, or allows the award recipients to easily redeem for rewards. Fewer still have acquired the technology to measure the effects of their programs.

HOSPITALS NEED A BETTER MEASUREMENT OF SUCCESS

All hospitals have some form of internal oversight of their recognition and reward programs. But the study shows that few consistently benchmark or measure their performance. Consequently, few hospitals know what their programs truly cost or how much time they take to run.

There is no standard measurement of success for hospital recognition and reward programs. Some hospitals use annual employee surveys or third-party patient satisfaction surveys. Others look at employee turnover rates. While these are important metrics, the problem with these metrics is that they are all indirect measures; the success of the program has to be inferred based on the results of these other metrics. These metrics do not allow the hospital to understand which hospital departments are engaged in high levels of recognition while also achieving key performance results.

One of the key findings of the study was the level of dissatisfaction with the current methods for tracking the effectiveness of recognition and reward programs. **Most hospital executives expressed a strong desire for a better way to measure whether their programs are really successful or not.** The desire is to break down results and link them to the overall strategy in an attempt to understand how and where recognition and reward programs are helping to achieve higher levels of employee engagement and patient satisfaction. This would allow them to target specific departments using programs that work in an effort to increase overall results.

Rx FOR CREATING A BETTER RECOGNITION & REWARD PROGRAM

DESIGN IT CORRECTLY TO BEGIN WITH

If you want to measure the effectiveness and ROI of your recognition and reward program, you have to incorporate that into your program design at the very beginning. Start with the big picture. What do you really want to achieve, and how much are you willing to spend to achieve it? That will dictate your program structure, as well as the metrics you use to measure the program's effectiveness.

Of course, there are plenty of other critical design issues. Like how to make the program easy to understand and easy to use so it becomes an everyday part of the culture. Or what level of technology you need to monitor the program and accurately distribute rewards. Or how to structure a program with sufficient flexibility to meet both hospital-wide and department-level needs.

But it all begins with a clear-eyed examination of your goals and objectives. That is the heart of the design phase, the phase frequently missing with programs that have grown piece meal over the years.

PAY ATTENTION TO THE MANAGEMENT BASICS

Communicate. Train. Track. Those are the keys to turning a well-designed employee recognition and reward program into a real winner.

Everyone needs to understand the importance of your program and how it works. That includes senior leadership, department heads, supervisors, in fact, anyone who gives out recognition or rewards.

The way to achieve consistent and widespread participation is to make your program top of mind with everyone—employees and managers alike. And the way you do that is communicate, communicate, communicate.

DELIVER THE RIGHT THINGS TO THE RIGHT PEOPLE

Once you have peoples' attention, don't disappoint them. One size does not fit all. You need a range of awards—monetary rewards, gifts, experiences and non-monetary recognition tools—in order to satisfy your various employees' needs and desires.

You also have to consider how various employees want to be recognized. For example, some people are uncomfortable with being recognized in public. They prefer more private, low key recognition. Recognizing and rewarding people in the way they wish is a key to program success.

CONSULT A STRATEGIC PARTNER

Tracking employee and manager participation and measuring program success may require a level of technology beyond your hospital's current tracking system. Robust and cost effective technology is already available from third-party vendors such as Sodexo Motivation Solutions in the form of proven software systems.

Sodexo Motivation Solutions also offers a level of expertise in program development, management and delivery not found within most hospitals. Outsourcing the entire employee recognition and reward program is often the most cost-effective way to provide a program with true employee appeal.

These practice recommendations are based on Sodexo's extensive experience as a service provider to hospitals and the company's unique expertise as is a world leader in employee motivation, loyalty, recognition and reward.

Biggest Frustrations with Hospital Recognition & Reward Programs

- Time required to run program
- Low awareness and usage of program
- Inconsistencies across departments

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THE MOTIVATION EQUATION

Effective Recognition & Rewards = Higher Employee Engagement = Higher Employee Satisfaction = Higher Patient Satisfaction

IMPACT OF RECOGNITION & REWARD ON NURSES

A 2010 Sodexo-sponsored study conducted by ORC, an Infogroup company, confirms what most hospital leaders already know: recognition and reward play a critical role in nurses' satisfaction with their job and the hospital as a place to work. As this study shows, the two things that drive nursing satisfaction the most are:

- The extent to which nurses feel they can provide top quality care in a caring and professional way
- The extent to which individuals in their unit receive adequate recognition and reward

These findings reinforce Press Ganey's 2010 Hospital Pulse Report, *Employee and Nurse Perspectives on American Health Care*, which identified recognition in the workplace as the third highest priority for meeting nurses' needs.

Recognition and reward drive employee engagement and employee engagement drives job satisfaction. As Figure 1 illustrates, Primary Care RN's who are highly engaged in their work report the highest satisfaction ratings.

The bad news is that only 48% of Primary Care RNs say that individuals in their unit "always" or "usually" receive adequate rewards and recognition (see Figure 2). For the majority, recognition and reward is a "sometimes" or "never" thing.

The message is clear. Hospital recognition and reward programs work, but they are all too often under utilized.

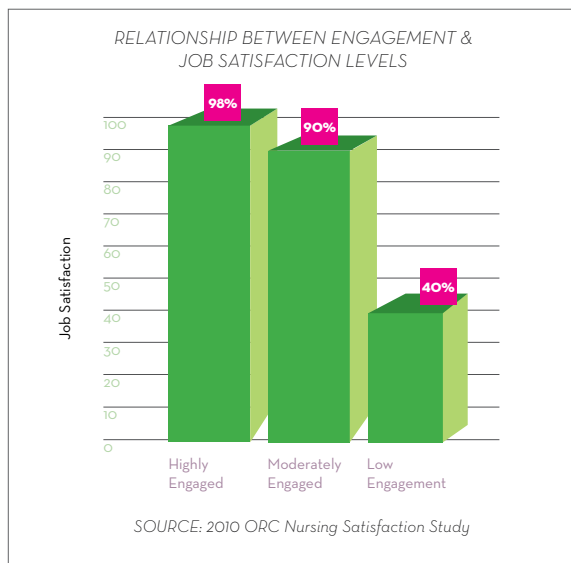


Figure 1

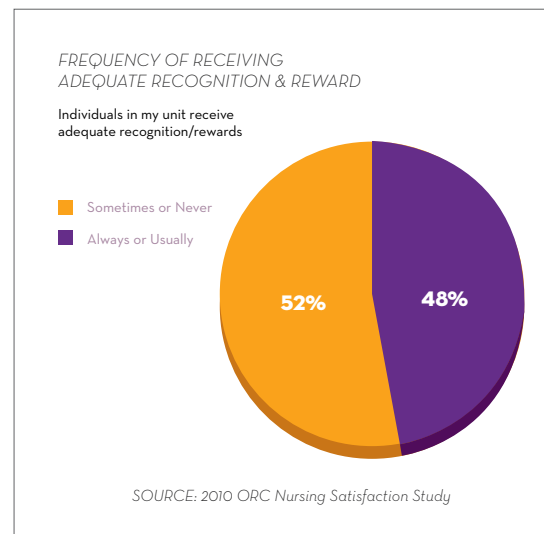


Figure 2

Hospital recognition and reward programs work!



SODEXO: A WORLDWIDE LEADER IN MOTIVATION SOLUTIONS

Motivation is at the heart of an organization's performance. Sodexo offers a range of motivation solutions that help 380,000 companies in 31 countries motivate more than 25 million people.

Services provided by Sodexo Motivation Solutions include:

- **Program Design**—Working with clients to develop a customized strategy and program that addresses the client's unique strategic challenges. Determining metrics for measuring up-front, prior to program roll out.
- **Program Management**—Managing program implementation and operation, including installation of powerful communication and tracking tools with visibility to recognition activities, and application that make it easy to nominate and reward employees and that provide real-time monitoring of results.
- **Program Delivery**—Providing clients with a strategically designed array of incentive rewards and gifts, including non-monetary daily recognition tools, that satisfy each person's needs and desires.

DESIGN, MANAGE, DELIVER...this combination of expertise makes Sodexo a powerful strategic partner for providing motivation solutions that touch the heart of your organization.

To learn more about what our certified Recognition Specialists can do for you, contact us today.

Begin Today!

To learn more about the ways Sodexo Motivation Solutions can help you engage, motivate and reward your employees, please contact us! Call **888 663 4437** or email sales.sodexopass.usa@sodexo.com.

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