

# Rewards Budget

How much should your company spend on an employee recognition and reward program?



# Introduction

**When it comes to creating a rewards budget we make our platform fit your program. For example:**

- We've rolled out with non-profits, where they had no rewards budget and had significant success.
- We've also implemented our program where a company has a significant rewards budget and the program is also successful.



[Highlight Technologies Case Study](#)



# Strategy

**Define an approximate amount that you would like to invest into rewards on an annual basis.**

- Once you know how much you want to spend per employee, spread that budget out over the award types you interested in.
- Of note: rather than spending your entire budget on big, annual awards that only recognise 4-5 of your “top achievers”, make recognition and reward available people to everyone in the company, regardless of their role or tenure.

Most companies invest between \$50 - \$300+ per employee per year on rewards.



# Budget Breakdown

Recognition Program	Reward Amount
Peer to Peer / Manager to Peer	<p>\$5 - \$20+ per month is the most common value.</p> <p>Some companies start with only Managers who have a budget but engagement is highest when peers can give points too.</p>
Years of Service	<p>Between \$25 - \$100 per year of service, often recognizing every 5 years.</p>
Manager Spot Rewards & Performance Rewards	<p>Vary considerably depending upon the impact. Typically between \$10 - \$500+</p>





## Optimal Platform Setup



### Monetary Peer-to-Peer recognition

Clients who have the monetary peer-to-peer feature activated, have a 6X higher engagement % of clients who do not.



### Manager-to-Employee recognition

Recognize employees for great work and living company core values, resulting in higher productivity and lower voluntary turnover.



### Weekly cadence for points to give distribution

Frequency in reach will result in a more engaged community. This setup allows a more frequent reminder for point usage and ultimately more recognitions.



### Marketplace for redemptions

Employees can redeem for unique experiences, gift cards, donate to charity or custom company rewards.



### Automated and manual awards

Streamline and automate important employee events, including work anniversaries, birthdays, welcome messages, employee of the month and more!



### Leaderboard displayed

Create a healthy competition for your users to promote recognition given and received.



### Points for Likes and Comments

Allow your users the opportunity to be rewarded when engaging with recognitions through likes and comments.

\*Platform usage and metrics may vary

Company 1 Average engagement: 0.6%	Company 2 Average engagement: 53.6%	Company 3 Average engagement: 99.4%
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Monetary Peer-to-Peer recognition



Manager-to-Employee recognition



Weekly cadence for points to give distribution



Marketplace for redemptions



Automated and manual awards



Leaderboard displayed



Points for Likes and Comments

\*Platform usage and metrics may vary

# Point to Dollar Ratios

- Most companies have 1 point equal anywhere between \$0.10 - \$1
- The most common value is 10 points = \$1.00
- The 2nd most common value is 1 point = \$1.00

The screenshot shows the 'Gift Cards' section of the Bucketlist website. The header includes 'bucketlist' and navigation tabs for 'Featured', 'Experiences', 'Donations', 'Gift Cards', and 'Bucketlist'. A left sidebar contains navigation options: 'ACTIVITY', 'LEADERBOARD', 'MY PROFILE', 'REDEEM', 'COMMUNITY', 'NOMINATIONS', 'EVENTS', and 'RESOURCES'. The main content area is titled 'GIFT CARDS AVAILABLE IN UNITED STATES OF AMERICA' and features a search bar and a grid of gift cards from various brands. A user profile for 'JARRON MUELLER' is visible on the right, showing 'My Points: 500 Points' and a 'Redeeming Points' button with the text 'Hard work pays off! Go get rewarded.'

Brand	Points Value
1-800-FLOWERS.COM®	10 - 50
adidas	5 - 50
Advance Auto Parts	10 - 100
Amazon.com	5 - 50
AMC Theatres®	5 - 50
American Eagle Outfitters®	5 - 50
Applebee's®	5 - 50
Apple Gift Card	2 - 100
Athleta	5 - 50
AutoZone®	10 - 50
Bahama Breeze®	5 - 50
Banana Republic	5 - 50
Barnes & Noble Gift Card	5 - 50
Bas Pro Skincare	5 - 50
Bath & Body Works	5 - 50
Bed Bath & Beyond	25 - 50
Belk	25 - 50
Best Buy®	5 - 50

The screenshot shows the 'Redeem' section of the Bucketlist website. The header includes 'bucketlist' and navigation tabs for 'ACTIVITY', 'LEADERBOARD', 'MY PROFILE', 'REDEEM', 'COMMUNITY', 'NOMINATIONS', 'EVENTS', and 'RESOURCES'. The main content area displays several redemption options, each with an image and a points value:

- VIP Parking for a Month:** Enjoy the coveted parking spot closest to the office for an entire month! 25 points.
- Day Off:** Enjoy one additional day of Paid Time Off! 75 - 100 points.
- Company Swag:** Enjoy company-branded swag on us! 50 points.
- Zoo Day:** Enjoy a day with your favourite animals at the Zoo! 50 points.
- Other options:** 115 points and 399 points.



# Past Examples

The following are some of our past clients and how they've allocated budgets

- Post Secondary: (hundreds of employees)
  - Years of Service
  - Peer to peer
  - Total budget: \$0/year (all rewards had no costs like day off & swag)
- Hospitality: (2,400 employees)
  - Years of Service
  - Manager spot bonuses
  - Total budget: \$65,000/year
- Technology: (650 staff)
  - Peer to peer
  - Years of service
  - Total budget: \$56,000/year
- Venture company: (<100 staff)
  - Peer to peer (\$50 per week)
  - Years of Service
  - Total budget: \$100,000+/year





# Questions

- Do you have an estimate as to how much you already spend on rewards and recognition?
- How much would you like to allocate to employee rewards?\*
- Which type of program would you like to invest in?
- For next steps, we will work with you create a draft budget for you?
- We have a sample budget calculator

\*Even a rough ballpark is helpful as we can reverse engineer the program to meet your requirements. With the rewards calculator, you're able to spread out your budget between points to give with recognition and/or awards.

