

Measure What Matters



Quantitatively assessing
Recognition Programs for
the new world of work

1st Global AIR^e Benchmarking Report – 2022-23

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Foreword



Since 2020, the ground beneath each of our feet has collectively shifted. We saw significant workplace shifts, massive acceleration of predicted trends, and a total rethinking of corporate policies. Despite these challenges, we collectively managed to not only survive—but thrive—in the face of such adversaries.

That speaks volumes about how we—as a corporate world—are capable of so much more. At the same time, we are witnessing new challenges and opportunities that we can no longer afford to ignore. Some things which were “nice to have”; are now a necessity. And when you have to act swiftly to handle this new way of working, you realize that there are gaps in expertise and benchmarks. We need powerful frameworks to structure our thoughts and make sound decisions. By publishing this report, we are taking the first step toward developing a framework and benchmark for the employee recognition space.

Since (and before) the inception of Vantage Circle, I have had the opportunity and pleasure of working with some truly great companies and with the leaders that make these companies great. The one thing that sets apart great workplaces is the attitudes and actions of management.

Fundamentally, the management of these businesses genuinely believes that the workforce plays a major role in the success (or failure) of the company. The management understands the need to timely acknowledge the value that employees bring in daily. They see offering meaningful recognition as an integral and daily part of their jobs and not just as an afterthought HR exercise that happens once every five years when it's time to hand out the performance awards.

That being said, it stands true that most companies dive in blind into their employee recognition program. That is, they do everything right— choosing the perfect R&R platform, implementing it company-wide, appointing an incredible HR leader to head the process— but most of them end up making two major mistakes.

First, not defining the objectives of the recognition program. Secondly, not measuring the program's effectiveness and constantly tweaking it as circumstances change and new learnings emerge.

After noticing these specific problems, over the years, in the companies where Vantage Circle provided our rewards and recognition solution, we decided to create a tool that provided businesses with a base point for getting to the root causes of problems in their employee recognition program and helping them build a solid foundation. Hence, the AIR^e Framework tool was developed.

If there is a single phrase that sums up the AIR^e Framework Tool, it is the brilliant management adage “what gets measured gets managed.”

But, like any other tool, the AIR^e tool requires a thorough report on why and how it can be effectively integrated into your organization's workflows. That is why, with great pleasure, I introduce the AIR^e Benchmarking Report. This is not your typical report. We've done our homework and created a guide that will inform you of everything you need to know to get the most out of the AIR^e Framework tool.

We begin with the fundamentals, provide actionable insights, examples, and data on how various industries have reacted to the AIR^e tool, and—last but not least—discuss how you can build on the AIR^e findings and make the most of its outcomes to create a great culture. With this report, you will receive a step-by-step manual on how to begin creating an appreciation culture that will enable you to weather crises like the pandemic and The Great Resignation without losing your best employees.



Partha Neog

Co-founder & CEO, Vantage Circle

Defining the Measures

Introducing the AIR^e framework and assessments



Framework



The power of recognition is generating more buzz than ever before. This was triggered by the need to bring together remote workers during the pandemic and has only increased during the Great Resignation. Organizations are increasingly looking to leverage Recognition as a driver of employee engagement. In response to this demand (and fueling it), there is a plethora of reports, perspectives, and viewpoints around Recognition. None of these, however, seems to address the one critical question - how to ensure that the power of Recognition is being harnessed to its full potential?

To address this gap, Vantage Circle's Centre of Excellence studied 150+ recognition programs from across the globe. We identified core themes that are dominant in effective recognition programs and are suppressed/absent in recognition programs that are not so effective. We then validated our findings against well-established theories of motivation, ranging from Maslow's Hierarchy of Needs to the Anxiety Buffer Hypothesis. The results of these findings cumulated into the AIR^e framework—Vantage Circle's proprietary methodology for the design and assessment of recognition programs.



1 https://en.wikipedia.org/wiki/Maslow%27s_hierarchy_of_needs

2 <https://www.frontiersin.org/articles/10.3389/fpsyg.2020.02177/full>

The AIR^e framework defines and quantifies Recognition along **4 core themes**:

Appreciation

Acknowledging the inherent worth/ value of an employee or the behavior/ result demonstrated

Incentivization

Making recognition attractive enough for employees so they aspire to achieve it

Reinforcement

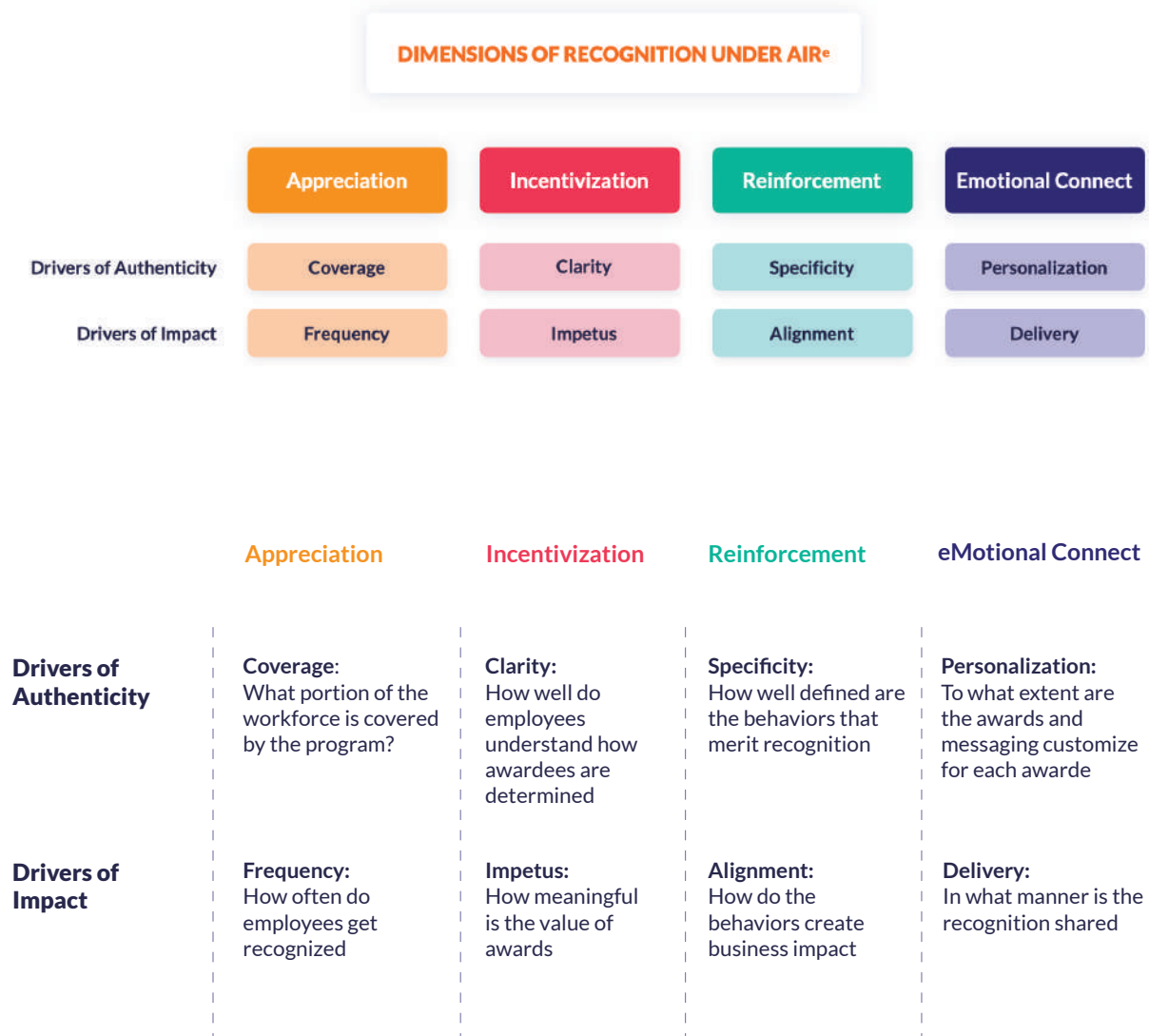
Guiding employees towards desired behaviors or results through recognition

eMotional Connect

Attaching strong personal feelings to boost the power of recognition

As per the framework, effective Recognition programs must leverage all 4 themes through factors that either drive Authenticity of recognition or Impact of recognition. Drivers of Authenticity enable fairness, openness, and transparency of the program design, whereas Drivers of Impact enhance the ability of the program design to achieve organizational objectives.

Hence, the 4 themes of Recognition, translate into 8 distinct dimensions that guide the design and assessment of Recognition programs



For a more detailed understanding of the AIR® framework, please refer to our comprehensive white paper in Appendix 2: Embedding the principles of the AIR® framework using the Vantage Circle platform

The AIR^e Assessment

The AIR^e Assessment aims to enable a greater focus on driving the effectiveness of Recognition programs by providing a quantitative assessment of program design against the AIR^e framework. It is the only globally available tool to quantitatively assess the design of Recognition programs. The assessment is conducted through an online questionnaire with just 10 multiple-choice questions. Users can complete this assessment in under 15 minutes and receive a report on completion. The report provides an overall score for the Recognition program design and a breakdown of scores for every dimension. The objective of the AIR^e assessment is to:

- Give a single numerical score for the design of the recognition program and enable comparison with market practices
- Provide a starting point to revisit the design of the program by identifying the dimensions where it can be enhanced.

The assessment questions correspond to one or more of the AIR^e dimensions. Each response has points allotted to them, thereby enabling the calculation of the AIR^e score, based on responses selected. The overall score is calculated by adding the scores from each dimension of the AIR^e framework, with a minimum possible score of 20% and a maximum possible score of 100%.

The screenshot shows a digital assessment interface. At the top, it says 'Question 1/10' with a progress bar. The question is: 'Q1. What are the key objectives of your organization's recognition program? (Select all that apply)'. Below the question are five checkboxes with the following options: 'No - no defined objective', 'Drive employee engagement', 'Increase loyalty/retention', 'Enhance performance/productivity', and 'Others'. There is a text input field below the checkboxes with the placeholder text 'Write a comment here to explain why you gave this score'. At the bottom of the interface, there are two buttons: 'Previous' (with a left arrow) and 'Next' (in a purple box with a right arrow).

To understand how your company can benefit from the AIR^e assessment, please refer to Appendix 1: Getting your AIR^e quality assessed.

Measuring Up

Global trends from the AIR^e benchmarking study

The AIR^e Assessment is a free online tool that is available on the Vantage Circle website. It can be used by anyone to run a quick, quantitative assessment of their Recognition program or even test out a new program design. Since the launch of the AIR^e Assessment tool in 2022-23, over 550 assessments have been run on the tool. Our team reviewed all the assessments to remove test submissions and possible outliers. For this report, we reviewed all assessment submissions and analyzed 300 submissions that best represent global practices.

In this section, we have provided key highlights of AIR^e score analysis across regions, sectors, and company size and provided specific insights based on trends identified.

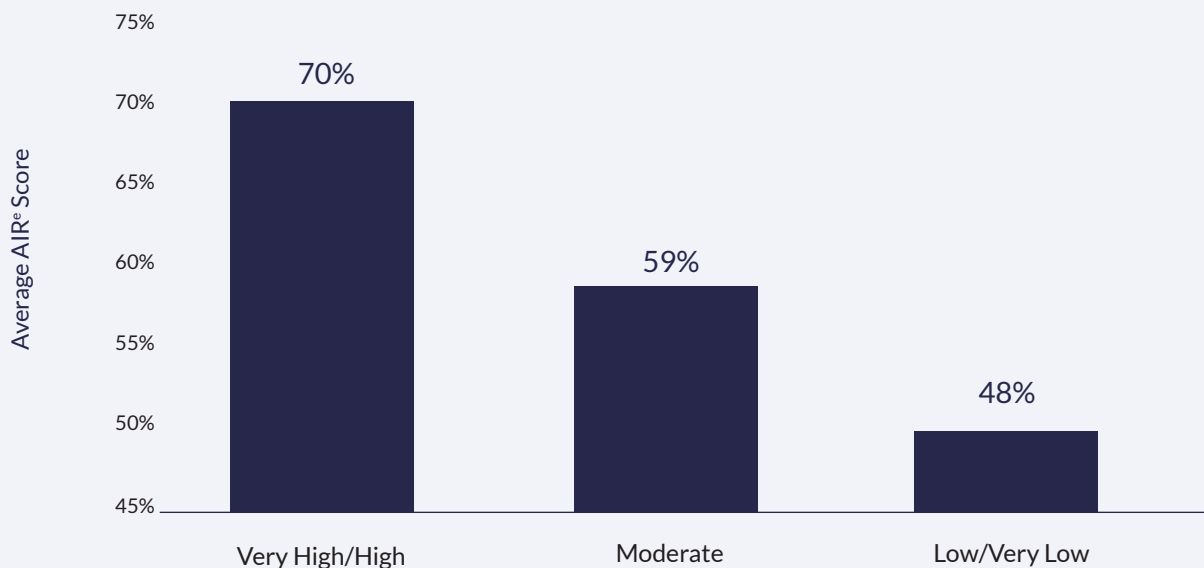
#1

The effectiveness of Recognition programs is significantly impacted by program design

This conclusion is true across almost all people programs and practices. That said, it is important to note that for many people programs, the success of the program is inordinately skewed towards execution vis-à-vis design. For a complex area like Recognition, however, good design is extremely critical. In fact, a poorly designed Recognition program could have unintended negative consequences, ranging from employees trying to 'game the system' to feelings of nepotism or discrimination.

Apart from program design information, the AIR^e assessment tool also asks users to rate the success of their organizations' recognition program in meeting the objectives. When we analyzed the actual AIR^e scores against the responses to this question, we found a clear correlation between the AIR^e scores and the perceived effectiveness of the programs. Where users had rated the success of the Recognition program in achieving its objectives as Low/ Very Low, the AIR^e score was significantly lower than where users had rated the success as High/ Very High.

AIR^e Score vis. perceived effectiveness of Recognition program



The first step in improving the effectiveness of Recognition programs is to evaluate the program design. Without an effective design, even the best-executed programs are likely to fail; or, worse still, have unintended consequences.

#2

Recognition programs are highly prevalent; effectively designed Recognition programs are not!

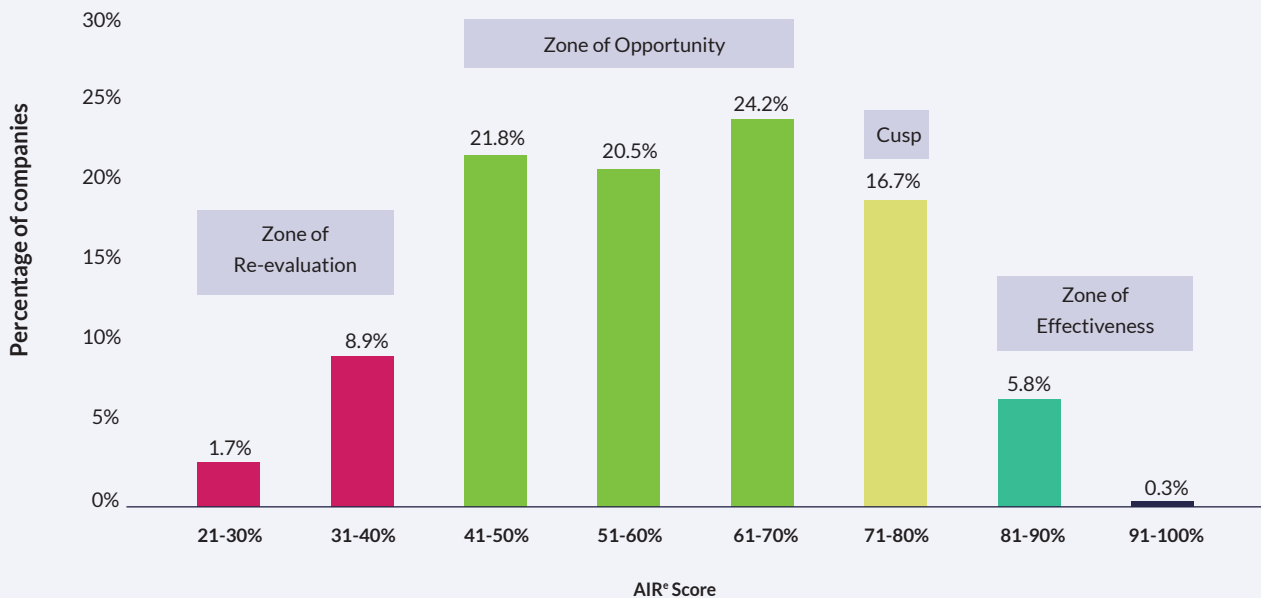
AIR^e scores of 80% or more are reflective of effectively designed Recognition programs. Only 6% of the 300 programs evaluated received a score of 81-90%, while only one program received more than 90%.

A considerable number (17%) of programs are almost there, needing just a few tweaks/ enhancements to become truly effective.

Around 10% of programs scored below 40%. Companies with these programs may need to completely re-evaluate how they see Recognition before they consider re-designing their programs.

Interestingly, over 66% of programs scored between 40-70%. This is reflective of Companies that understand the potential of recognition, and are making significant investments to leverage it but the design of their programs is just not getting them there. There is a clear opportunity for these companies to build on the existing belief and investments in Recognition by revamping their existing programs.

AIR^e Score Distribution



A majority of companies seem to have the right focus and investment in Recognition programs. By revamping design, they can significantly enhance the effectiveness of their programs.

#3

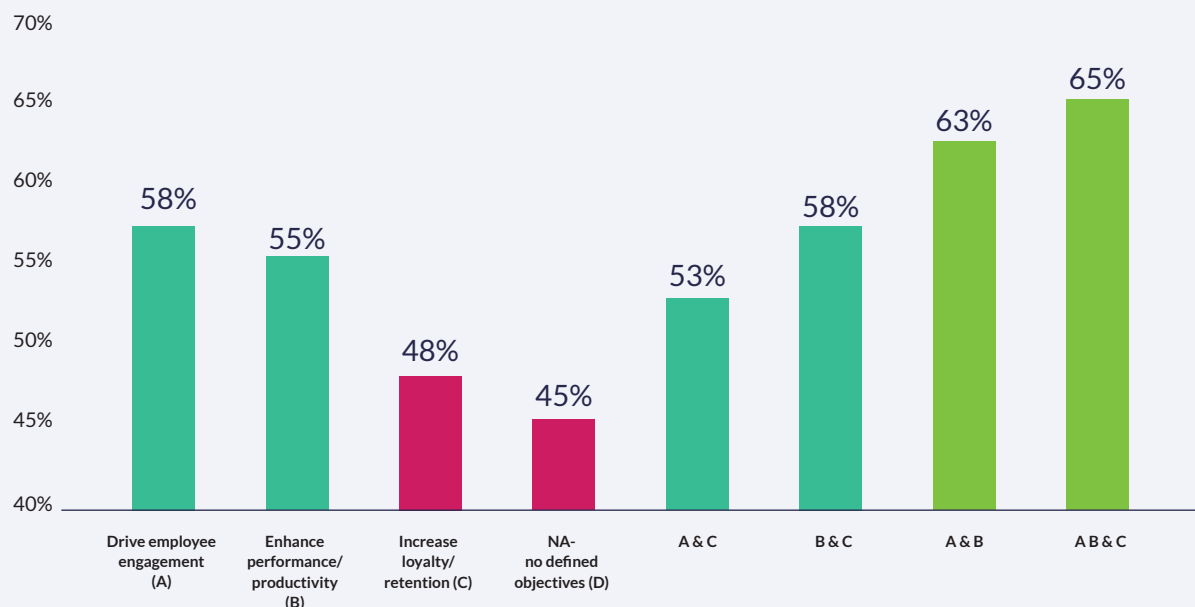
Programs that primarily aim to increase loyalty/ retention are sub-optimally designed to truly leverage the power of Recognition

It is almost a no-brainer that the effective design of any program– let alone something as complex as Recognition– must begin with clearly defined objectives. The median AIR^e score for programs where the company reported having no clearly defined objectives was very low, at 45%.

Programs, where the primary objective was to drive employee engagement, scored a little higher than programs where the primary objective was to enhance performance/ productivity. Where Companies looked at the dual objective of driving employee engagement and enhancing performance/ productivity, the AIR^e scores jumped up significantly. Such programs typically score high on both Appreciation and Incentivization.

Interestingly, including increasing loyalty/ retention as the primary goal had little effect on the AIR^e score. In fact, the median AIR^e score for programs with a single primary goal of increasing loyalty/ retention was only marginally higher than the AIR^e score for programs with no defined goal at all.

AIR^e Score (Median) by Program Objective



It is imperative for companies to have clearly defined objectives for Recognition programs.

Driving employee engagement and enhancing performance/ productivity must be included among the primary objectives.

#4

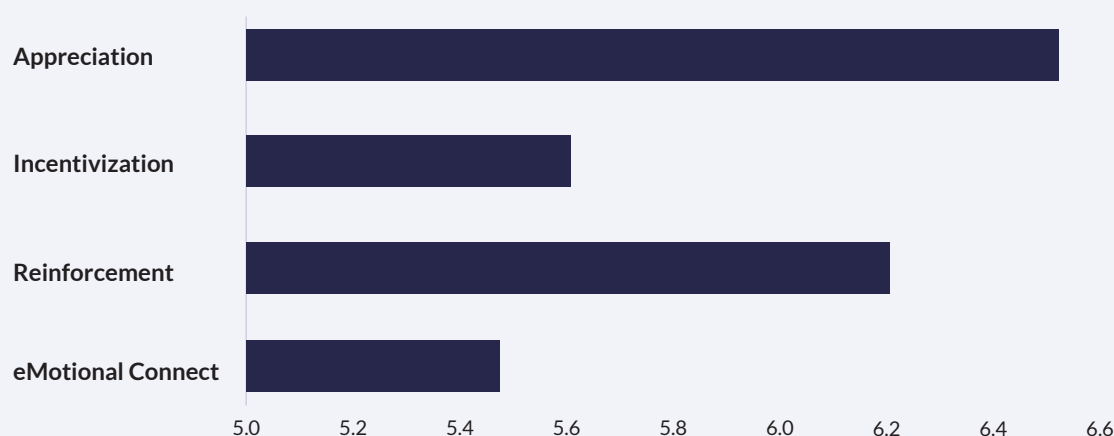
eMotional Connect and Incentivization are the themes to prioritize to enhance the effectiveness of Recognition programs

Across the 4 themes of Recognition, the evaluated Recognition programs scored the lowest on eMotional Connect, followed by Incentivization. The design of Recognition programs may currently be too simplistic and needs to better incorporate these 2 critical elements. While Appreciation and Reinforcement play out as natural themes in Recognition, eMotional Connect and Incentivization tend to be a little more nuanced, requiring additional investment from the standpoint of both time and money.

eMotional Connect is the attaching of strong personal feelings to boost the power of recognition. As per the AIR^e framework, eMotional Connect has a multiplier effect on the power of Recognition, which is why we depict it through 'e' as a superscript in AIR^e. By personalizing reward messaging, the stakeholder(s) awarding the Recognition creates eMotional Connect with the awardee. This feeling can be further strengthened through the nature of awards and how they are delivered.

Incentivization implies making Recognition attractive enough for employees, so they aspire to achieve it. It includes both the monetary and non-monetary (through social status) value of awards. Importantly, for Incentivization to be effective, there must be a clear understanding of eligibility and what qualifies as an achievement.

Average Score by Theme



Aspects that can help enhance the effectiveness of Recognition programs include:

- Making awards meaningful for employees vis. both value and choice of awards
- Providing greater clarity and empowerment during the nomination process
- Ensuring personalized messaging for awards

#5

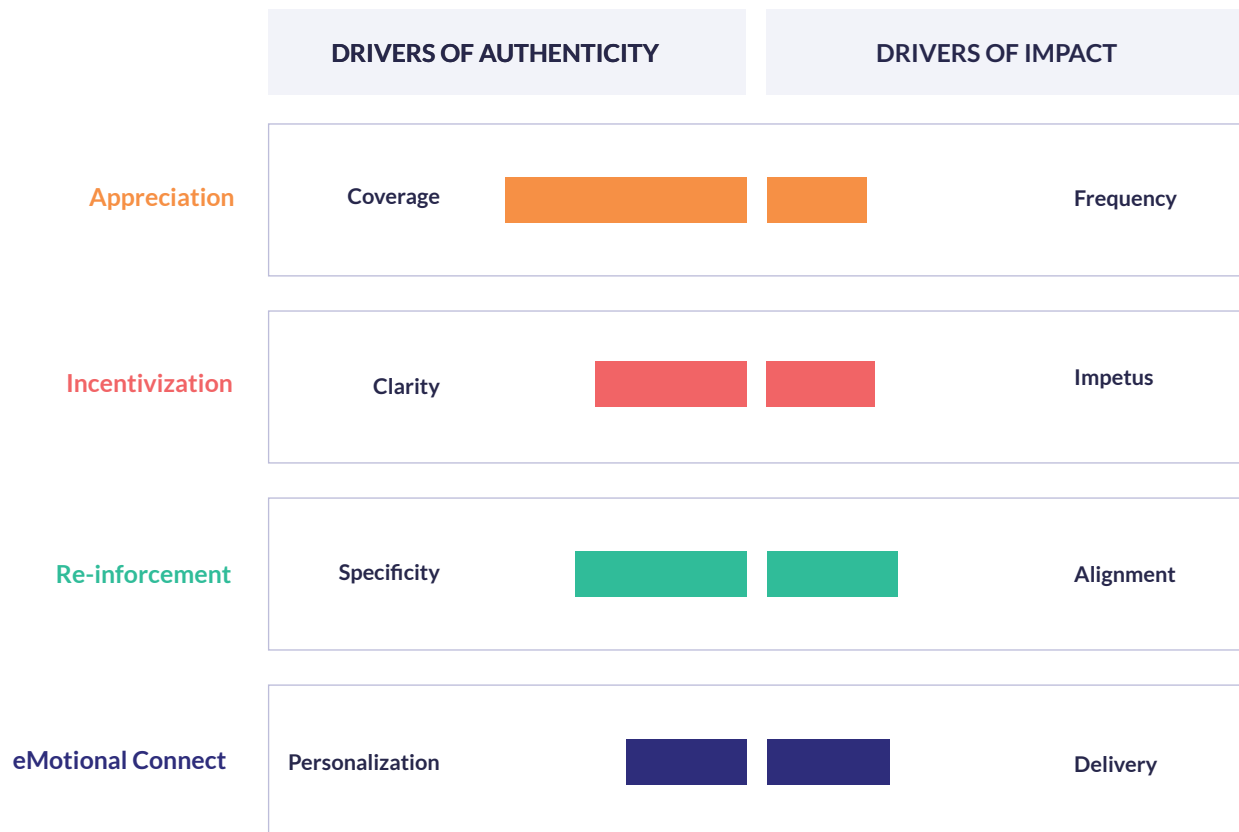
AIR^e assessment trends indicate a stronger need to focus on Drivers of Impact

Drivers of Authenticity enable fairness, openness, and transparency of the program design whereas Drivers of Impact enhance the ability of the program design to achieve organizational objectives. The AIR^e assessment indicates that Drivers of Impact (Frequency, Impetus, Alignment, and Delivery) are more subdued than Drivers of Authenticity (Coverage, Clarity, Specificity, and Delivery). Among the Drivers of Impact, Frequency (under Appreciation) has the maximum scope for enhancement, followed by Impetus (under Incentivization) and Delivery (under eMotional Connect).

The frequency of Recognition may differ across employee segments and program elements, but it must be aligned and modified to meet the needs/-expectations of employees in each segment. The desired frequency typically goes up as one moves down levels, from senior to junior. Having some form of year-round recognition helps build a larger culture of recognition.

Impetus is what creates an active desire among employees to be recognized through the program. It could even motivate them to consciously act/ behave in manners that increase their chances of being recognized. In monetary awards, Drive increases with the value of monetary awards relative to employees' salaries. But Drive is also enhanced through measures like gamification and internal marketing/ buzz-creation, which can be applied to both monetary and non-monetary awards.

Delivery is the method by which Recognition is bestowed upon the recipients. In-person delivery with written acknowledgment is thought to be the most effective. Furthermore, social recognition—that is, praise in front of a team or group—is more effective than individual praise. There is a lot of room for creativity in the delivery, and even the smallest actions can have a big impact.



Additional ideas to consider for enhancing the effectiveness of Recognition programs:

- Frequent and timely recognition instead of periodic
- Using gamification
- Driving exclusivity/social status elevation through awards instead of only focusing on the monetary value

Upping the Measures

Enhancement insights from the AIR^e benchmarking

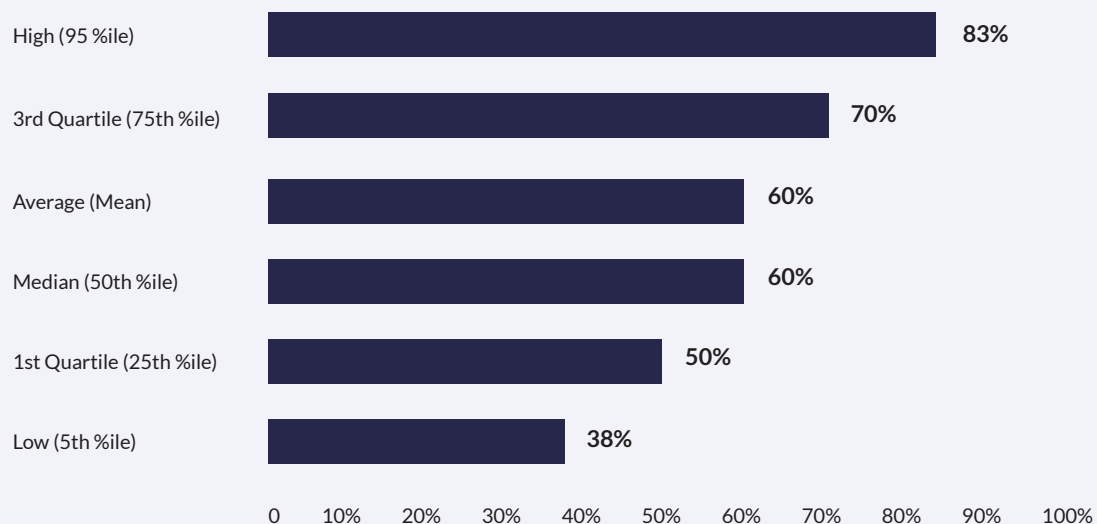
The overall AIR^e score is a single quantitative assessment of the Recognition program. This enables easy benchmarking and comparison of Recognition programs across regions and industries. The AIR^e score is derived from a quantitative assessment of each of the AIR^e themes – Appreciation, Incentivization, Reinforcement, and eMotional Connect – and their respective 8 dimensions. The AIR^e assessment report also presents the breakdown of the overall AIR^e themes and dimensions, providing insights into specific areas for the enhancement of Recognition programs.

In this section, we have deep-dived into scores by AIR^e themes and dimensions, highlighting opportunities for enhancing the effectiveness of Recognition programs.

#1

Average AIR^e score across global Recognition programs is 60%

AIR^e scores indicate the effectiveness of Recognition program design, with 20% being the minimum possible score and 100% being the maximum possible score. The actual scores ranged widely (from 38% to 83%), indicating significant global differences in the Recognition program designs. The majority of programs assessed scored between 50% - 70%.

Global AIR^e Benchmarks

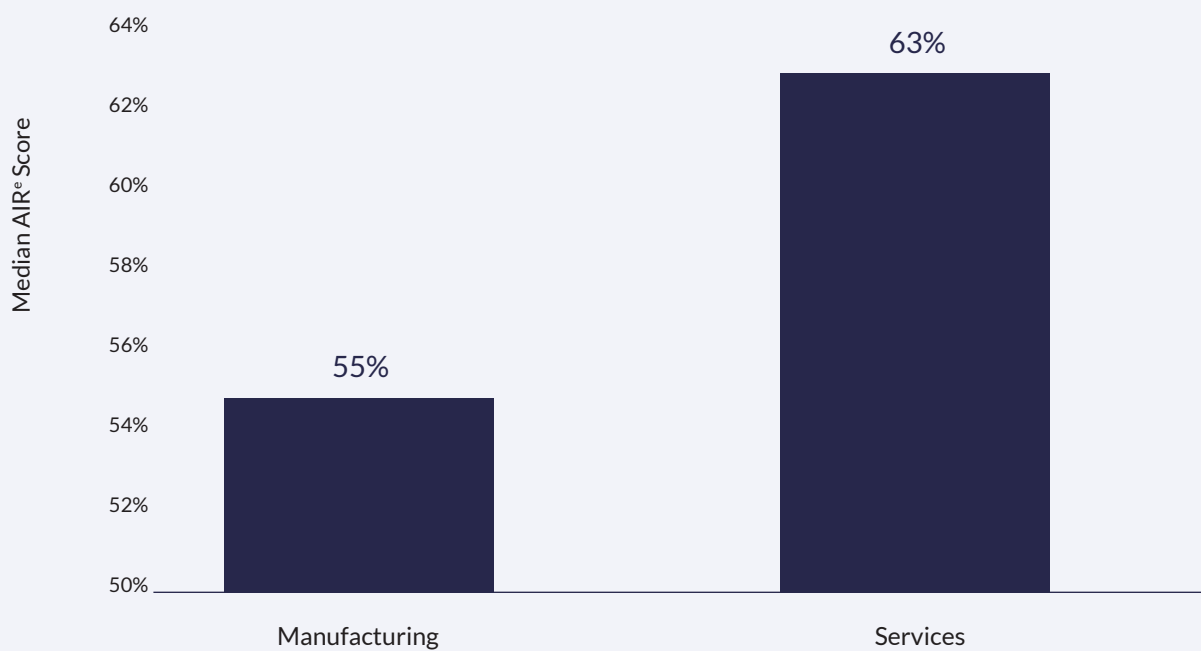
There is considerable scope for enhancement of Recognition programs, with less than 10% of programs having an AIR^e greater than 80%.

#2

Companies in the Services sector scored significantly higher than companies in the Manufacturing sector

Recognition programs for companies in the Services sector got a median score of 63% while those in the Manufacturing sector got a median score of 55%. Within Services, Recognition programs for companies in Financial Services and IT-BPM scored the highest. One of the key factors contributing to differences in Manufacturing companies is the lower usage of/ access to computers and mobile phones at the workplace, making higher frequency Recognition elements such as Spot Awards less feasible.

AIR^e Benchmarks by Sector



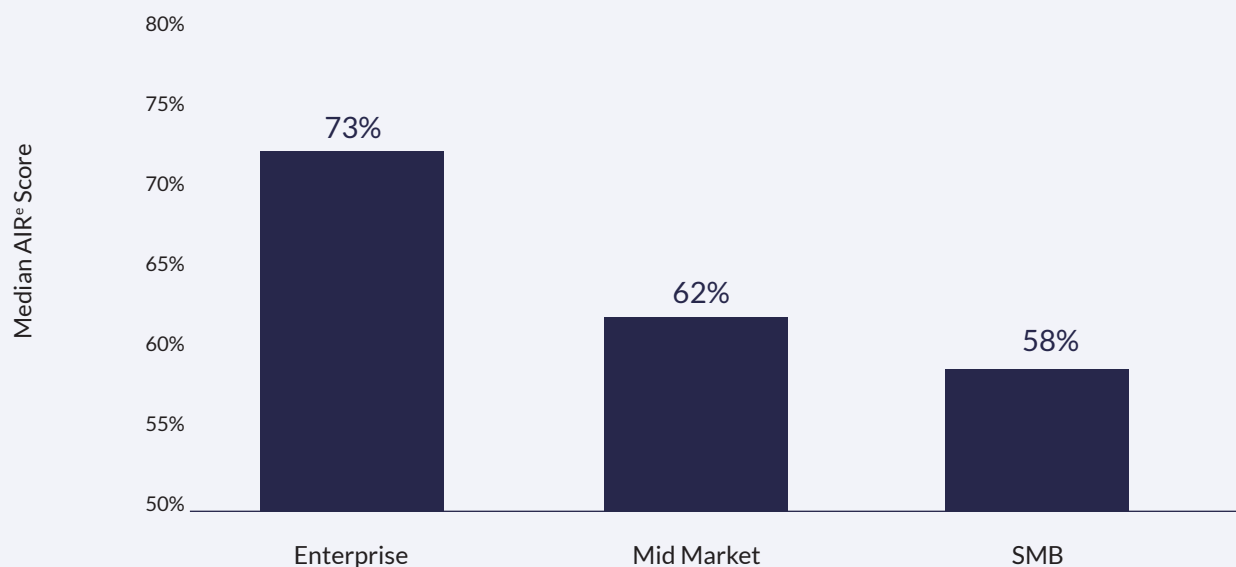
There is an opportunity for companies in the Manufacturing sector to be more creative/ innovative in how they design their Recognition program workflows to address some of the feasibility issues with high-frequency recognition elements.

#3

Large enterprises (>5,000 employees) are leveraging Recognition more effectively than smaller companies

Large Enterprises had a median AIR[®] score of 73%, compared to 62% for Mid-Market companies (500-5,000 employees) and 58% for SMBs (upto 500 employees). Large Enterprises have a higher score, which is understandable given their more mature HR practices and more structured investment in Recognition programs. The proportion of companies with formally defined Recognition programs would be significantly lower among Mid-Market and SMBs. In Mid-Market companies and SMBs where such programs do exist, they tend to be more basic in nature.

AIR[®] Benchmarks by Company Size



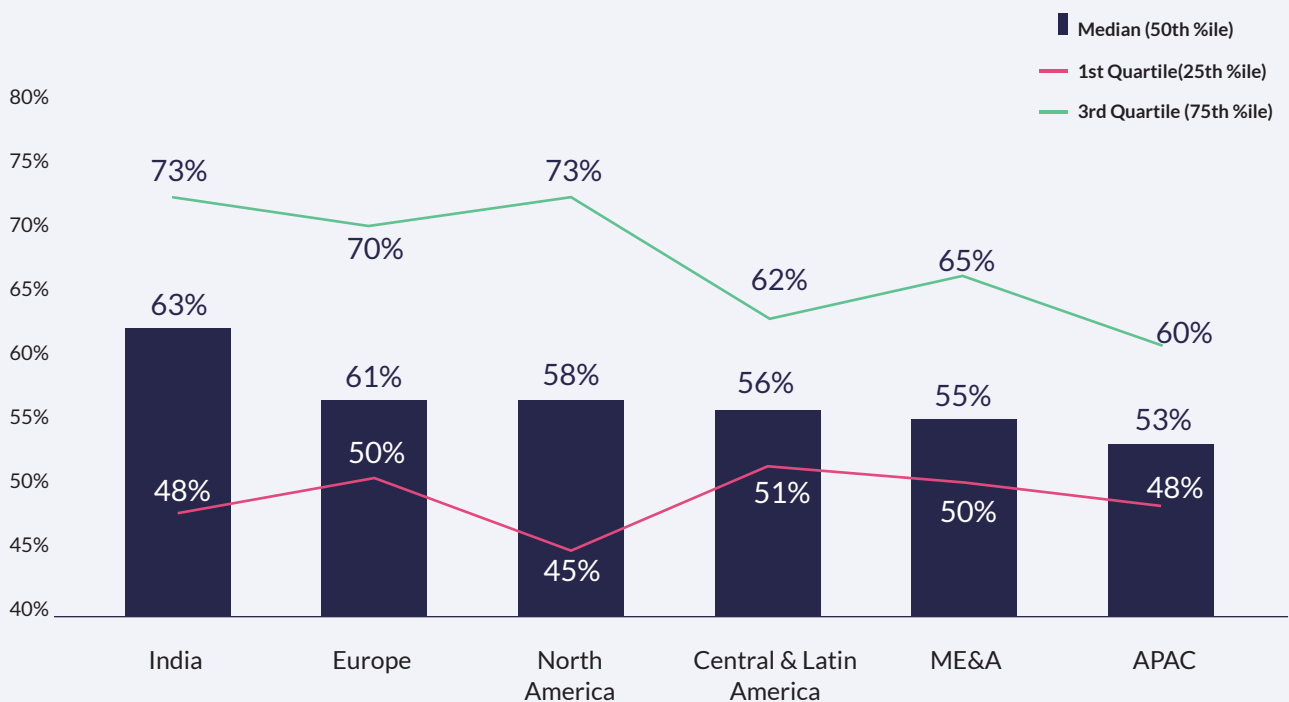
Recognition is a huge need for Mid-Market companies. Early adopters have the chance to set themselves apart by increasing their investments in Recognition programs.

#4

Companies in India and Europe have more effectively designed Recognition programs than companies in other regions. Companies in APAC and the Middle East lag far behind.

Companies headquartered in India got a median AIR^e score of 63%, while those in Europe scored marginally lower, at 61%. AIR^e scores for companies headquartered in North America had the maximum spread, indicating significant differences in Recognition programs. This variation on the lower side resulted in the median score of 58% but North America also had a large proportion of companies that scored >70%.

AIR^e Benchmarks by Region



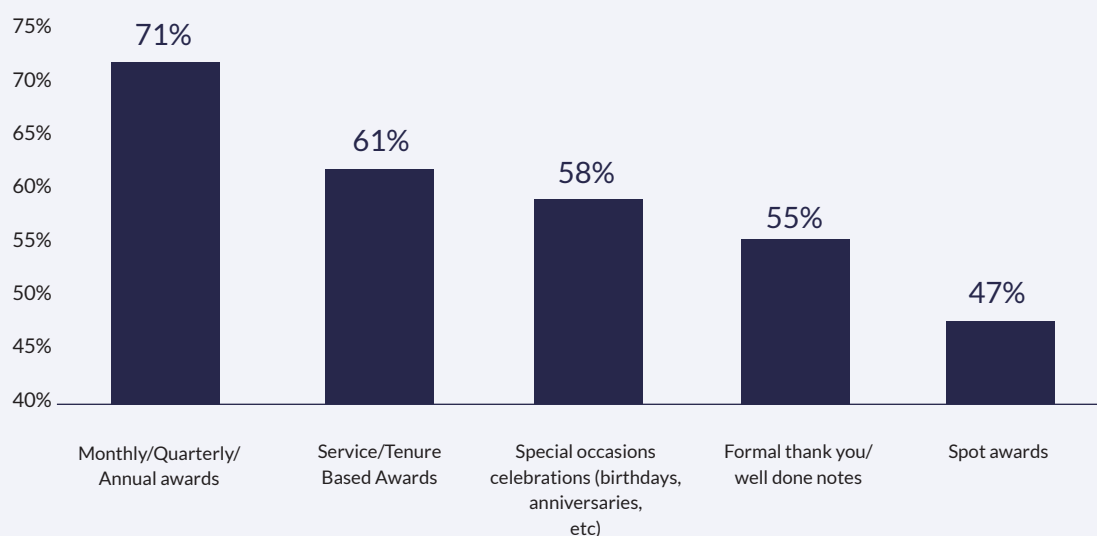
The North American market shows the maximum difference between AIR^e scores for Large Enterprises (median of 77%) versus Mid-Market companies (median at 53%).

#5

Service/ Tenure based awards and Monthly/ Quarterly/ Annual performance-based awards are the most prevalent elements of Recognition programs

Traditionally, Recognition programs have been restricted to rewarding loyalty and/ or rewarding performance over defined periods of time. This trend continues, with such initiatives being the most prevalent. 61% of companies include Service/ Tenure Based awards and 71% of companies include Monthly/ Quarterly/ Annual awards in their Recognition programs. While spot awards have the lowest prevalence (47%), they are gaining popularity with companies that are looking at Recognition programs more strategically.

Prevalence of Various Elements of Recognition Programs



Despite having the lowest prevalence among the programs evaluated, 80% of those with an AIR[®] score of 75% or higher reported using Spot Awards.

Recognition is in the AIR^e

Unravelling actionable insights from published
research findings

The AIR^e framework provides a holistic and structured approach to the design and assessment of Recognition programs. Our starting point for the development of this framework was to try answering the question - how to ensure that the power of Recognition is being harnessed to its full potential? To that extent, a key source of validation of the framework was when we were able to apply it to effectively explain published data and trends around Recognition. We further found that applying the framework to data and trends enabled us to go beyond the percentages and unravel truly actionable insights.

In this section, we have picked some key trends published over the last 1.5 years, explained them through the AIR^e themes, and shared specific takeaways/ recommendations

Research finding #1:

Asked whether they would prefer more frequent or more meaningful recognition, the overwhelming majority (64%) said they wanted their recognitions to be more meaningful. According to respondents, the top three factors of a meaningful recognition are:

1. About something specific that I did
2. About me as an individual or about something I value
3. About the way in which I made a difference to the person who sent me the recognition

Source: Achievers Workforce Institute, State of Recognition Report 2022

From the standpoint of Specificity (under Reinforcement), it is critical that the Recognition calls out a specific behavior or result. Traditional (and somewhat generic) 'employee of the month' programs don't really focus on the 'what.' Thus, while these initiatives may have an immediate impact on the awardee, the impact fades as they are replaced by a new 'employee of the month.' Reinforcement also does not work for the larger employee base, which does not clearly see what behavior or results to emulate.

eMotional Connect has the ability to amplify the impact of Recognition significantly. It is critical to personalize both the award messaging and the award itself to make the Recognition unique to the person being recognized. Boiler-plating of messaging neither calls out the specific behavior/ result nor does it connect to either the giver or the recipient.

- Move away from generic awards; make awards specific to behaviors/ results displayed
- Ensure that award messaging is always personalized and clearly identifies the behaviors/actions.
- Offering a variety of awards and leveraging experiential awards can have a greater impact.

Research finding #2:

45% of employees feel their recognition program is stale and disconnected from what is important at their organization.”

Source: OC Tanner, Global Culture Report 2021

When companies do not focus on Reinforcement, it can lead to skepticism and negative perceptions about the program. The behaviors being recognized must be Specific and clearly defined so they are easy for employees to grasp. Linking Recognition to actual results may seem intuitive, but it's important to reinforce behaviors and not just results.

There must be a clear Alignment between behaviors promoted by the Recognition program and what is most important for business. Organizational Core Values provide an ideal foundation for driving Recognition. However, companies should re-assess the relevance of their Core Values to their current and future business needs. There is also a need to study utilization trends of the Recognition program across each of the Core Values to assess if certain Core Values are under-leveraged vis. others

- Linking the Recognition plan to Core Values can enhance Reinforcement
- Ensure relevance/ alignment of Core Values with business imperatives
- Periodically analyze utilization trends against each Core Value

Research finding #3:

When an employer recognizes life events and work milestones, employees are 3X as likely to strongly agree they feel connected to the culture, 3X as likely to strongly agree their organization cares about their wellbeing and 30%+ more likely to say they plan to be at their organization in five years

Source: Gallup Workhuman, Transforming Workplaces Through Recognition 2022

Among the themes of Recognition as per the AIR^e framework, the most core and pervasive is Appreciation - the acknowledgment of a person's inherent worth/ value. It appeals to a fundamental human need. As Stephen R. Covey put it, "Next to physical survival, the greatest need of a human being is psychological survival, to be understood, to be affirmed, to be validated, to be appreciated."

In that regard, appreciation cuts across all aspects of employee interactions at the workplace. The big questions are whether employees feel that they are treated with dignity, if they feel connected and if they feel that their contributions are valued. When we talk about contributions, we don't just mean high performance or results; we also mean acknowledging day-to-day work tasks. Even a simple thank you from the manager when an employee completes a task can go a long way.

From the perspective of recognition programs, there is a need to look at specific moments where employees can be appreciated – an accomplishment of certain results/ work milestones, the commemoration of work anniversaries, or even birthday celebrations! When it comes to showing appreciation for service, it's not just about giving out tenure-based rewards for reaching important milestones like five years; it's also about taking the time to say "thank you" to an employee on every work anniversary. Similarly, while birthday celebrations have nothing to do with the employee's performance or contributions, they are about making the employee feel special and valued.

- The most dominant theme of AIR^e is Appreciation, as it speaks to a basic human need and permeates all aspects of employee interactions at work.
- Events like birthdays and anniversaries offer an opportunity to acknowledge the employees' inherent worth/ value.
- We must take care to amplify the celebration beyond the automated workflow of a Recognition platform.

Research finding #4:

57% of HR leaders mention reward choice as their main roadblock. They may be recognizing and rewarding employees, but that communicated value isn't getting through to the employees themselves.

Source: Awardco's 2021 Rewards and Recognition Survey

Reward choice plays out across 2 of the 8 dimensions of the AIR[®] framework. Let's start with Impetus (under Incentivization). Impetus is what creates an active desire among employees to be recognized through the program. It could even motivate them to act/ behave consciously in manners that increase their chances of being rewarded. In monetary awards, Impetus increases with the value of awards relative to employees' salaries. But Impetus is also enhanced through measures like gamification and internal marketing/ buzz-creation, which can be applied to both monetary and non-monetary awards. In fact, awards that use exclusivity/social status elevation can often boost Impetus more effectively than the award's monetary value.

Personalization (under eMotional Connect) is another dimension in which reward selection comes into play. Personalization refers to how much the program can be tailored to the awardees, and it can be accomplished by customizing both the recipient's message and the award chosen. While trophies/plaques remain popular forms of recognition, more progressive programs have shifted toward giving employees greater flexibility and meaning behind their reward options. It is recommended to provide reward points that employees can redeem across a wide selection of products, brands, and services. A popular practice is to gift experiential rewards (like vacations, meal outings, etc.) that create further memories and associations.

- Value of awards stems from both actual monetary value as well as perceived value
- Monetary value of awards should be viewed in relation to the employees' salaries
- Perceived value can be enhanced through gamification, marketing of the awards program and by
- leveraging exclusivity/ elevation in status for award winners

Research finding #5:

19.9% of employees rarely or never receive recognition from immediate coworkers. 22.1% of employees rarely or never receive recognition from their immediate manager or supervisor.

Source: Quantum Workplace and Bamboo HR, Recognition in the Workplace – Breakthrough Secrets & Stats

The most important aspect is to see Appreciation as a core part of Recognition. Appreciation is the acknowledgement of a person's inherent worth or value. Appreciation need not be restricted to major achievements. Both Coverage and Frequency of Appreciation are important. More traditional Recognition programs often focus on employees at junior - mid level employees and consider Recognition to be an annual exercise. Leaving out senior-level employees means that not only is their need for appreciation getting ignored, but they are also less likely to recognize others. Meanwhile, a recognition program with low Frequency means that key (but small) efforts go unappreciated for a long time or get missed out altogether.

There is also a need to look at Specificity (under Reinforcement). Recognition programs that are linked only to the achievement of results can tend to be restrictive. There will almost always be a lag between the behaviors/ actions and the observation of outcomes. Moreover, deciding which results are worthy of recognition can reduce the number of instances of recognition. By linking Recognition to the demonstration of specific behaviors/core values, easier identification and greater immediacy are achieved. Moreover, Reinforcement of behaviors makes it easier for employees to emulate behaviors and apply them to other situations.

- To focus on Appreciation as a core theme within Recognition, ensure the right levels of Coverage and Frequency are maintained.
- Look at introducing year-round, non-monetary Recognition initiatives.
- Linking Recognition to demonstrated behaviors rather than results will increase the frequency of recognition.

Appendix 1:

Getting your AIR^e quality assessed



If you are a company that is looking to leverage the power of Recognition, the AIR^e assessment is just the right starting point. The AIR^e assessment is the only tool available globally that quantitatively assesses the design of Recognition programs. It aims to overcome the Recognition Paradox by incorporating metrics and measurement into the program design.



The AIR^e assessment can be used to assess the design of your existing program as well as to test out a program design. It is currently available free of cost and may be taken multiple times. The assessment is conducted through an online questionnaire with just 10 questions. All questions are objective/multiple-choice, and it takes under 15 minutes to respond. The report is emailed to you as soon as you submit the assessment.

The AIR^e assessment report provides you with an overall score for the Recognition program design, as well as a breakdown of scores across each of the dimensions of the AIR^e framework. The objective is to:

- Give a single numerical score for the design of your Recognition program
- Provide a starting point to revisit the design of your program by identifying the dimensions where your program can be enhanced

Understanding your AIR^e Score

The overall AIR^e score is calculated by adding the scores across each dimension of the AIR^e framework. The minimum possible score is 20%, and the maximum is 100%. If you want to know how your AIR^e score compares to others, consult the global benchmarks provided in this report's "Measuring Up" section. However, our recommendation is to focus more on what your AIR^e score reveals about your program, as shown below:

AIR ^e Score Range	Zone	Interpretation
81% - 100%	Zone of Effectiveness	Scores in this zone are indicative of a well-designed Recognition program. While there may be opportunities to further optimize the program design, the benefit may be only marginal. If your AIR ^e score falls in this zone and you are still not convinced about the effectiveness of the program, it is important to review program utilization metrics.
71% - 80%	Cusp	Scores in this zone suggest that your program is almost in the optimal design zone. There are just a few tweaks and enhancements required without having to revisit the majority of the program's design. Once you have made these changes, you should review the program utilization metrics to identify further opportunities for enhancing program effectiveness.
41% - 70%	Zone of Opportunity	Scores in this zone suggest that your program has the right intentions and is possibly backed by investments in the program. However, there is significant scope for enhancing the design to drive effectiveness. This is a good place to be in because the tougher part – aligning key stakeholders on the importance of Recognition – is already in place.
21% - 40%	Zone of Re-Evaluation	Scores in this zone indicate a lack of conviction in the power of Recognition. There is a need to completely re-evaluate why you want to have a Recognition program at all. We recommend that you consider re-designing your program only after you have educated all key stakeholders on the importance of Recognition and have agreed on program objectives.

How can Vantage Circle help us post the AIR^e assessment?

Vantage Circle strives to help our clients get the most out of their Recognition programs. Once you get your AIR^e Assessment results, here's how we can help you in the next stage:

1. Leveraging technology to infuse AIR^e into your current program:

Vantage Rewards is a powerful SaaS-based reward and recognition platform that is easy to use and makes the employee recognition process meaningful, fun, cost-effective, and globally accessible. With features like gamification, social dashboards, flexible gifting options, and powerful analytics, Vantage Rewards is designed to infuse AIR^e into every aspect of your Recognition program.

2. Deep diving into the AIR^e assessment insights:

The AIR^e assessment provides an overall view into the design of your Recognition program. Our Centre of Excellence can help you get further actionable insights by delving into each aspect of the program design and analyzing the actual utilization trends. We will also conduct additional surveys / focused group discussions with your HR team for further gap analysis.

3. Re-engineering your Recognition program to enhance AIR^e Quality:

Our Centre of Excellence offers a comprehensive Advisory Service that includes a deep dive analysis of your current Recognition program, followed by a detailed program redesign.

Appendix 2:

Embedding the principles of the AIR^e framework
using the Vantage Circle platform



The construct of the Vantage Circle platform is based on the AIR^e framework and is designed to infuse AIR^e into every aspect of your Recognition program.

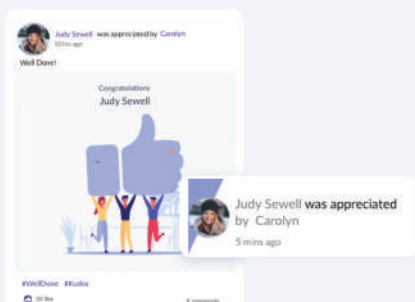
Appreciation

The extent of the employee population covered by the program and frequency of formal recognition determine the larger culture of recognition. Recognizing the fact that every human needs appreciation for the efforts they put in, Vantage Circle makes sure you cover every employee segment through at least some element(s) of the programs.

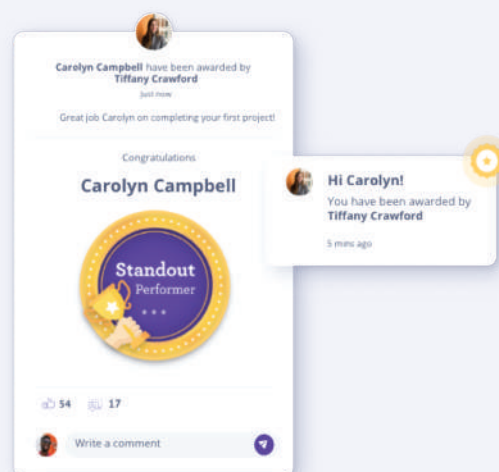
Thus, it applies the principle of 'Appreciation' and its key drivers—Coverage & Frequency—via a highly configurable set of Recognition Workflows, Program Rules, and Eligibility Criteria.

Ability to create unlimited recognition programs across a diverse set of workflows such as:

- **Non-Monetary Peer to Peer Badges:**
Badges and appreciation templates facilitate instant peer-to-peer recognition that helps strengthen bond, builds trust, and ultimately increases engagement and retention levels.



- **Monetary Nomination-Based Recognition with Hierarchical Approvals:** This includes leadership in the recognition process, demonstrating a pan-company commitment to building a recognition-rich culture.



- **Drive desired employee behaviors:** Ability to create custom criteria through qualifying questions in award nomination forms, thereby establishing a clear path to achievement. By using unique hashtags for each recognition badge, employees get to know what values get recognized and align with the company culture.

Standout Performer					
Approval period ending Today					
Awarded To	Nominated By	Region	Current Votes	Your Rating	Details
Verly Clarkson	HR Admin	Delhi-NCR	0	👍👎	View
Caroline Nicole	HR Admin	Mangalore	0	👍👎	View

- **Identify Significant Contributors in your teams:** You can track the number of program elements & types of awards being given out, along with the number of awardees for each award.

Ability to define a variety of rules and criteria such as:

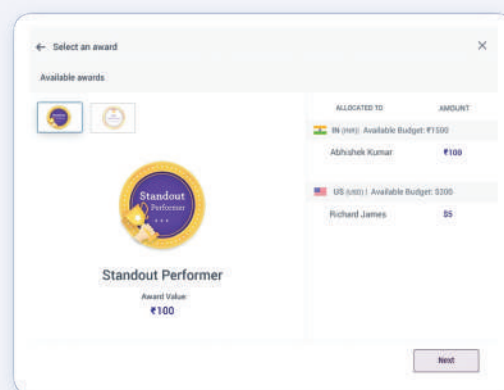
- Eligibility by Grade, Department, or Location/Office Format. Publicizing the recognition criteria encourages inclusivity in the recognition program and eliminates arbitrariness.
- Quotas for giving & receiving peer recognition; budgets for formal recognition. You can have complete control over how your budget is being used up, and even track it in real-time. You can identify and track the hidden costs of your strategy including the cost of time, paperwork, coordinating with a global workforce, ensuring visibility, etc.

Incentivization

The value of recognition is relative and varies based on individual perception/preference and Vantage Circle ensures to personalize the recognition experience. It recognizes that if employees are not clear about the line of sight towards what they need to do, no matter what the perceived value of the recognition element is, it will not be able to effectively drive impact.

Thus, 'Incentivization' and its key drivers Impetus & Clarity are applied to the platform's construct & design through a comprehensive 'Budget Manager' & the ability to define and align a clear qualification criterion to each program.

- Budgeting by program, department & grade: Budgets are converted into reward points, which can be redeemed for a wide range of products, and experiences, from top brands. These premium products and experiences play a key role in enhancing the attractiveness of program.
- The Budget Manager enforces accountability by enabling easy monitoring of actual expenditure against the assigned budgets.
- "Standard of Living Index" is a budgeting framework to ensure that every achievement is fairly and equitably rewarded. The SOLI-based rewarding system automatically adjusts the rewards per the standard of living of the country the employees live in. That ensures that global employees can earn or redeem reward points that match their achievements.



- Ability to create custom criteria in the form of qualifying questions in award nomination forms, thereby establishing a clear path to achievement. Through unique hashtags for each recognition badge that align with company values, employees get to know what they should do to get recognized.

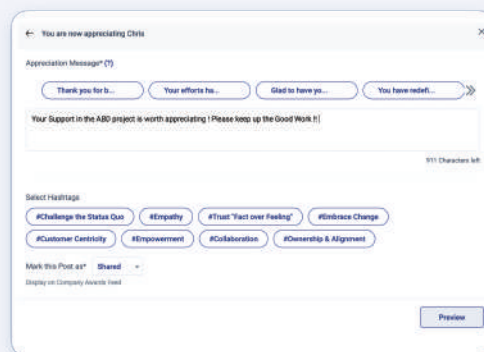
- A well-defined nomination process and metrics for selecting nominees help employees see what they need to do/exhibit in order to qualify for formal recognition.

Reinforcement

Vantage Circle understands that a lack of a clear set of promoted behaviors is unlikely to create a broader organizational impact. Hence, recognition programs need to guide employees toward various behaviors. Moreover, when a particular behavior is frequently recognized, employees understand what their employer is expecting from them. They tend to associate that specific action with getting rewarded. So it becomes more likely that they continue to do it in the future, thus reinforcing company values.

‘Reinforcement’ and its key drivers— Specificity & Alignment— are applied to the platform’s construct to ensure every recognition is meaningful and can be aligned to a critical talent or business objective or the overall organizational goals.

- Each recognition badge can be defined as a generic call-out or highlighting an organizational value and competency. It gives HR the power to define recognition badges according to the values they want to promote.
- Ability to create unique hashtags attached to each unique badge, which can be your company values, specific high-performance behaviors, cultural contributions, or skills. Hashtags help track and analyze which behavior is recognized significantly more or less than others.

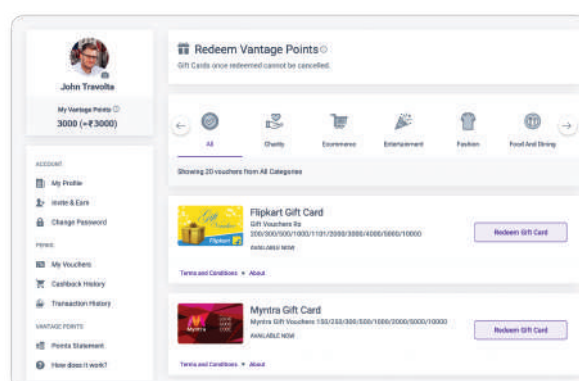


- You can identify your team’s significant contributors. It also becomes easier to identify gaps in your program.

eMotional Connect

Vantage Circle puts special emphasis on the emotions involved in the act of recognition. We believe that the impact of recognition comes from how it is given rather than what is given. Rather than monetary value, the emotional value behind an award can have more impact on the receiver. Here is where personalizing the recognition comes into play.

‘Emotional Connect’ and its key drivers— Personalization & Delivery— are applied to the platform’s construct to ensure there are a variety of models to ensure a superior and meaningful employee experience. Vantage Circle ensures customization through both the messaging to the recipient as well as the choice of award (where applicable).



- Multiple channels of recognition through badges, points, certificates, leaderboards, wall of fame and recognition clubs.
- Personalization also extends to the method of delivery of recognition. It could be one in one or socially, based on the preference of the rewardee.
- Ability to personalize each recognition message but also supplement with AI recommended quotes and work-related emoji's & gifs.
- Reward selection flexibility with over 10,000 reward options across merchandise, gift cards, and experiences, as well as a global catalog of top online and offline brands.
- Culturally diverse reward options allow employees to select a reward based on personal preferences.

Conclusion

Authentic and impactful recognition is the main goal that Vantage Circle aims to achieve through AIR^e's holistic and structured approach. The authenticity of recognition is materialized through a focused commitment from leadership, their inputs, and investment aligned towards execution. By linking the desired behaviors with business objectives, optimized program design, and a sharp focus on measurability and ROI— AIR^e ensures that recognition is impactful to the core.

Vantage Circle takes a comprehensive approach by addressing both the employer and employee perspectives, resulting in a virtuous cycle of workplace culture and practices. Because the AIR^e Framework addresses the fundamental drivers of human motivation and recognition, Vantage Circle is a powerful platform for fostering a culture of recognition in the workplace. The structured approach ensures the recognition programs align with the company's core principles by repeatedly reinforcing the company values through the defined metrics. By inculcating recognition as "the air we breathe" in the workplace, it revolutionizes recognition programs by changing the way organizations perceive recognition.



About Vantage Circle

USA | Canada | India | Netherlands | Australia

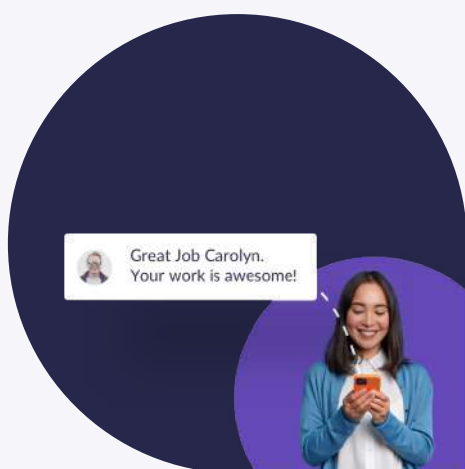
Vantage Circle is an acclaimed AI-powered SaaS employee engagement platform that delivers simple yet effective employee engagement solutions to a global workforce. With Vantage Circle's all-in-one platform, companies only need one platform to focus on the four major areas of engagement, namely— rewards and recognition, corporate discounts, employee feedback, and employee wellness.



Our Global Employee Engagement Solutions

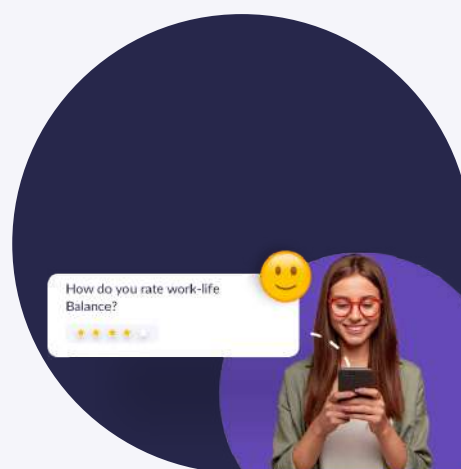
VANTAGEREWARDS

A SaaS-based rewards & recognition solution with a flexible reward-redemption option from a catalog of gift cards, merchandise, and experiences available to global workforce.



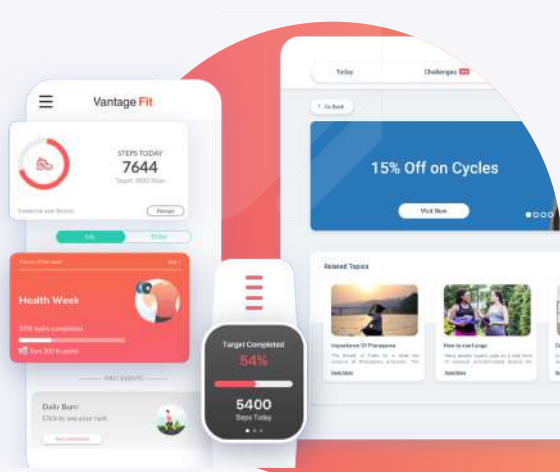
VANTAGEPULSE

A powerful employee survey tool to measure employee experience.



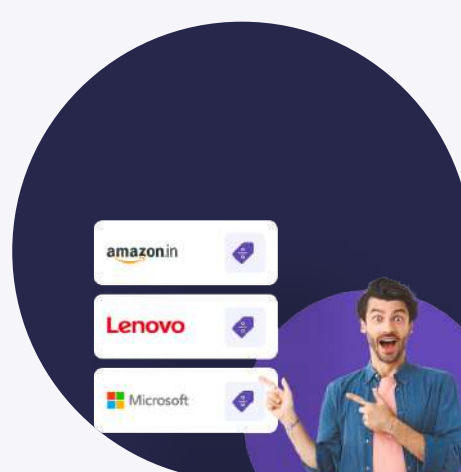
Vantage Fit

A global corporate wellness platform to enhance better employee wellbeing and productivity.



VANTAGEPERKS

A comprehensive employee discounts platform to provide exclusive corporate deals and cashback on a global catalog of top brands.



To Learn More About the Platform

Click on the button and
submit your details

Schedule a Demo



In collaboration with

