New and Improved Rewards at Work

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HRM

August 27, 2019

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In the current competitive business environment, every employer and organization come up with new and innovative employee rewards systems/programs. Employers do this to boost morale and recognize the needs of employees for improvement and goals achievements. Some but the latest key employee rewards are communication with friends and families, shopping, financing, bring pets at workplace and provision of physical and sports activities. But now employers come up with innovative employee rewards and benefits programs/systems.

This paper establishes that how innovation in an employee can help improve overall organizational strategy. It also explains how innovative benefits can be knotted to some particular jobs as well as it assesses the effectiveness of equity-based reward systems and why the organization uses equity to reward/benefit employees. Beyond that, key components of integrating innovation into traditional total reward program have been discussed as well as the process for optimization of an employee-based program has been recommended as well.

**Innovations in employee benefits and the organization's overall competitive compensation strategy**

The Right Total Reward System is categorized as financial and nonfinancial rewards which are offered by the organizations to employees. These rewards generate and provide valuable and better business outcomes. The outcomes range from enhanced productivity and improvement in individual capabilities and overall organizational performance to improved and higher job satisfaction. As well as they lead to employees’ loyalty and workforce morale. Hence, in the place of organizations or businesses award employees through paying higher and increased pays and other incentives simply for seniority, the total rewards program can link the rewards to the organizational achievement or accomplishment of organizational strategic objectives (Hsieh, & Chen, 2017).

In the current time, HR professionals and other managers at organizations have started experiments with innovative types of rewards in the workplace. These include pays based on skills and capabilities, goal sharing pay, and specifically wanting to bring company goals and objectives and employees’ interest in the line. The real and ultimate innovation in the total reward strategies happens when HR (Human Resource) professionals and business executives realize that there are many other things/factors which retain and motivate employees instead of only focusing on compensations other benefits programs (Hsieh, & Chen, 2017). So, the employers need to think out of the box and come out of the normal practices, as well as start to use these rewards. Secondly, employers should show variety as well.

In the implementation of an innovative rewards program, several challenges arise while organizations and professionals need to entirely revise the existing rewards system or to design a completely new plan. Beyond that, the questions (what kind of rewards it would include and how the plan would be funded) would be included. These questions would be included because the ability of an organization attracts, motivate and retain would emerge the basic indicators of financial performance and survival. Organizations can offer a variety of types of rewards for the attraction of best and brightest candidates once the program has been carefully and properly designed in the place. The organization can attract potential and possible best individuals because potential employees always want to know about the innovative benefits provided by the organization (Hsieh, & Chen, 2017). Employees do this during the recruitment process because look to manage both work and personal lives. In this way, some specific examples of rewards could include highly flexible work timings, medical care facilities, telecommunication facilities, option for working from home, bonuses and stock purchase options.

Many organizations will offer benefits with exceptional salaries, wages and pays but organizations and employers need to provide the full range of benefits to the employees. They need to offer a full range of benefits because they should generate and provide a concern, interest, and value in employees’ welfare instead of only focusing to stay relevant and competitive in the labor market.

**Interconnection of innovative benefits to specific jobs.**

With the dominant wages in the current economy, it is much critical to state that organizations are aware that changing pay rates, market prices of jobs have to be existed to maintain competitively. The desire to attract and retain potential candidates and employees while having competitive constraints on the labor costs and expenses can be improved positively through matching benefits to each specific job. Customized incentives and benefits can increase the employee’s satisfaction towards his or her job but it is possible in the case when the plan fully fits the work and personal life needs of the employee (Rost, 2015). For example, a younger would not interested in long-lasting care insurance plans nor the retirement plans while older employees will be found interesting in these plans. The innovation of/in benefits for employees is closely knotted to satisfaction of employees, their morale and motivation where are driven to perform the assigned tasks and entire duties and responsibilities in a way that exceed the expectations and standard. Hence the benefits and compensations would similarly exceed the expectations and competitions. This would also ensure that the key/major employees are valued and rewarded for what they have done and accomplished.

Provision of customized compensations and benefits which are closely tied to particular jobs can be designed enough that allows rewarding of on job performance and efficiency. It will also help to design specific behaviors and instill proud of the organization. Employees and all HR professionals should be clear and open to developing tools and rewards that communicate/convey the commitments towards employees as well as remind them that how much they have been appreciated by the organization (Rost, 2015). Organizations like Google Inc., Wholefoods and Cisco Inc., are presently leading in this way and their employees can streamline creative areas in this way. They are also rewarding employees through allowing them to bring pets to workplace, offer on-site healthcare, free foods, onsite fitness centers based on job nature and nixing old employee of the month, offering parking space, and raise the bar of total/entire rewards through bringing them into line with the specific/particular job of an individuals.

**Effectiveness of equity-based rewards systems versus more creative approaches.**

Today’s highly competitive business environment requires every owner to look for quality improvement all the time while keeping an eye on cost reduction as well. Equity-based compensation rewards are cooperative efforts and inline the interest of organizations, employees and owners or all shareholders. While organizations or businesses would continue the desire to get/gain more than expected form all employees while the employees would be looking for having more out of them. Hence, employee reward and recognition programs are the ways or methods to motivate employees to change and improve their work behaviors and other work-related behaviors (Barkema, & Gomez-Mejia, 2009). The equity-based rewards and recognitions are mostly financial but have higher costs and expenditures for the companies or organizations. So, it requires business owners and business professionals to separate salaries and all merit pays from the rewards and recognition system.

Equity rewards may take many shapes of compensation which could be utilized for the long term employee incentives in shape of changing pay as well as can include stock grants and rewards, options and stock alternatives. Benefits include plans such as employee stock ownership purchase plans, 401k plans that make the employees able to contribute pre-tax contributions through reductions like reduction agreements.

Equity rewards can be helpful to generate an ownership culture which permit/allow employees to take their interest in all concerns and factors that drive the business towards success. The highly effective and create is the approach and concept the highly it allows employees to have better lives while still getting their actual jobs and responsibilities done through the offerings of equity rewards.

Below are the crucial factors that give reasons to the organization to use equity rewards program.

1. Aligning employees and management with owners/shareholders: align the interest of employees' in the profitability and success of the organization.
2. Build motivation: mechanisms of total rewards package could be utilized for employees’ motivation as financial incentives especially money is one of the most valuable and most powerful motivators at hand.
3. Conserve resources: equity rewards and recognition allows businesses owners or organizations to offer highly competitive compensations while not reducing other major or minor assets.
4. Wealth generation: gain everything that generates/creates huge opportunities for employee wealth and benefit.
5. Tax advantages: all of the tax advantages through equity rewards have the potential to benefit both employers and employees or employer and employee.
6. Retention and attraction: equity rewards system generates a strong competitive edge in the labor market that allows organizations to attract, pick, motivate and retain top-class candidates and employees.
7. Capital accumulation: equity rewards results in positive cash flow from employee stock purchase that permits the organization to raise enough amount of capital.

It is a fact that equity-based rewards programs have been highly regulated, utilized and viewed as a positive plus provided the rise of innovation in equity rewards which most and even all of the employers are using in the current time (Barkema, & Gomez-Mejia, 2009). I believe that both equity-based reward system or program and other similar creative approaches may develop more than only a commitment but allows the organization of business to define what the employee expects and what he/she wants through the employee and employer relationship.

**Key elements of integrating innovation into a traditional total rewards program**

The past years or days of total rewards in the organizational workplace had just entailed limited areas of benefits and compensations which were recognized as particular professions. And the approaches and practices were based upon formulas that serve the complete employee population in the company or organization. The structures of salary were definite and controlled as well as the programs regarding employee benefits were developed as a single size fits all that answer to a huge number of workforce. Now, there are numerous components of mixing innovation into the traditional total rewards program. The attraction and longtime retention of potential and key is a crucial element for the success of any or every organization (Ittner, & Larcker, 2008). Hence, that is why every organization consider all of the key (major and minor) components of total reward program or system when they communicate with existing or new employees and candidates. In similar words, total reward covers all of the things that an employee gets to be of value. Hence and basically, the employer offers rewards and benefits which are valued by employees in exchange for their efforts, time, work, talent, and of course results/outcomes (Ittner, & Larcker, 2008). Some major components to mix/integrate innovation into traditional total rewards system/program starts with;

* Environment: all external factors that can contain legislation changes and competition for talent acquisition.
* Culture: the culture that includes all invisible and power tools such as attitudes, collective behaviors, thoughts, and organizations’ identity and determines why and how the organization works in the way it does in.
* Attraction: the capability to acquire the right and potential people for the right position at the right and a fine time. A highly talented and groomed pool of candidates and employees is mandatory for the survival of the organization as well.
* Retention: the skills and ability to maintain the key employees who are key players and play a huge role in contributing to the organization's growth and success.
* Motivation: major/key plank of an organization strategy which is the ultimate driver to the success of organization or business.

**The process that optimizes the employee-based suggestion program to continually refresh the organization's total rewards.**

Competition in the labor for acquiring potential employees is very high in the current time. Each and every employee look for and prefer those special employers who meet their expectations such as adaptation to their work-life needs, while all employers look for quality and potential people that bring talent to the organizations. Hence, providing or offering few extra amounts is not the way to attract talent, retain acquired talent and improve their productivity and enhance their skills set (Noe, et.al, 2017). While, this could be done through the application of the five-step PRIDE process, which is;

P – Provision of highly positive work environment

R – Recognize, Reinforce and fully Reward the Right and fine behaviors and attitudes

I – Introduce and Involve and Engage

D – Develop capabilities and skills as well as the acquired Potential

E – Evaluate, Judge, and Measure even everything

Jim, G, the President and co-founder of SAS in Raleigh-Durham, NC. SAS is one of the largest software development companies in the US. The progressive and well-developed work environment and host of friends and family benefits maintain their employee turnover rate much lower than the average rate on the national level. Jim stated that “My assets leave work for home at 5:00 pm or much later every night. This is my job and duty to bring them back every single day! Intelligent executives and leaders know the duty and responsibility for developing a positive and productive work environment cannot be delegated.”

Finally, if an/the organization carefully and sensibly analyzes and measures what means the most to all employees of their organization in terms of total rewards. As well as they realize that each of employees is an important, crucial and major resource for the competitiveness, growth, and success of the organization. All manager should know and understand the importance of their employees’ perceptions and fairness of the reward and finely communicate them (Noe, et.al, 2017).

Rewards programs/systems would help in every effort taken in regards of recruitment and implementation of new, innovative, and improved rewards would allow the organization to be recognizable standing over all others because of the great workplace and environment. As importance to it, the business or organization can attract and acquire the best and brightest talent and can become the high and more attractive workplace for the people in the labor market than others. Hopefully, businesses and organizations can/would recognize that right and fine rewards and benefits system and structure is key to the growth and success or organization or business.

**Conclusion**

After the in-depth analysis of the report, it has been concluded that innovation in employee benefits improve competitive strategy because it leads to employee loyalty, enhanced productivity, job satisfaction, and employee motivation. While innovative benefits can be knotted to specific jobs through matching benefits to each job separately. Furthermore, the equity-based reward program is effective because they align employees and management, build motivation, and help in employee attraction and retention, etc. The identified key elements/components to integrate innovation into traditional total rewards program are culture, environment, attraction, retention and employee motivation. Despite, the process recommended for optimization of an employee-based program is the PRIDE.

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