

PERFORMANCE EXCELLENCE



GUIDE Reward and Recognition

Introduction

Reward and Recognition

This guide is to be used by supervisors when considering, and recommending, rewards for their staff. The final decision on the type and level of reward rests with the appropriate delegate.

Exceptional performance that supports the University's values, goals and vision is encouraged, recognised and rewarded by the University.

This guide has been developed to assist supervisors to build a culture of Performance Excellence by incorporating reward and recognition activities into their management practices.

It is important to recognise and reward people because it:

- positively reinforces excellence in behaviours and performance,
- builds staff engagement, and therefore increases job satisfaction,
- leads to higher retention rates of key staff,
- reduces stress and builds an environment where people are encouraged to explore innovative approaches to their work,
- sends a message to prospective staff that staff are valued, and
- supports a culture of Performance Excellence.

The University Context

The University Strategic Plan (2008-2012) states that in the pursuit of excellence the University will recognise and reward group and individual practices that foster excellence in research and teaching, and in the conduct of all professional activities.

The University believes its staff should work in an environment where they are valued and where exceptional performance is recognised. Such an environment also provides greater job satisfaction, increased staff motivation, creativity and productivity, and improves attraction and retention rates. Appropriate reward and recognition processes support the development and sustainability of high level skills, behaviours and capabilities that are central to building on a culture of strong continuous improvement and organisational success. Reward and recognition strategies will support and reinforce the University's goals, values and vision, by a process that is applied fairly and equitably, transparently and consistently across the University.

Explaining Reward and Recognition

What is / is not Reward and Recognition

Reward and Recognition is a multidimensional tool available to supervisors that recognises achievements and exceptional performance, and encourages, motivates and retains employees.

Exceptional Performance has three components.

Firstly, exceptional performance is performance that is consistently assessed as exceeding the objectives set through the Planning,

Development and Review (PDR) process, the expectations of the position as described in the position description (where applicable), classification standards and the contract of employment.

Exceptional performance is both the effort that achieves outstanding and visible results, and the quiet effort that is consistently applied, often supporting and enabling others to succeed in their jobs.

Secondly, exceptional performance includes the demonstration of excellent job knowledge.

And thirdly, exceptional performance includes consistently upholding and modelling the values of the University.

Although most reward and recognition opportunities will be identified through the PDR process, specific accomplishments, activities or behaviours worthy of reward will also occur outside the PDR process. You will find some examples later in this Guide.

Reward and recognition mechanisms fall into four categories:

- Informal reward and recognition;
- Formal financial rewards;
- Formal University-wide awards;
- Extraordinary rewards.

Informal Rewards may be monetary or non-monetary and are spontaneous and sincere appreciation of individual or group efforts.

Formal Financial Rewards are pre-determined rewards. They form part of the overall conditions of service of staff and are used to recognise employee performance and achievement, contributions and accomplishments. Their application is covered by specific policies.

Formal University-Wide Awards for excellence are by nomination, and are assessed by a committee, with selection primarily evidence based. The awards are usually presented at an annual ceremony.

Extraordinary Rewards fall outside the formal range of rewarding mechanisms and are awarded for performance and achievement that has brought significant value to the University.

Figure 1 clarifies and categorises the **compensation components** available for staff, including the range of reward and recognition options.

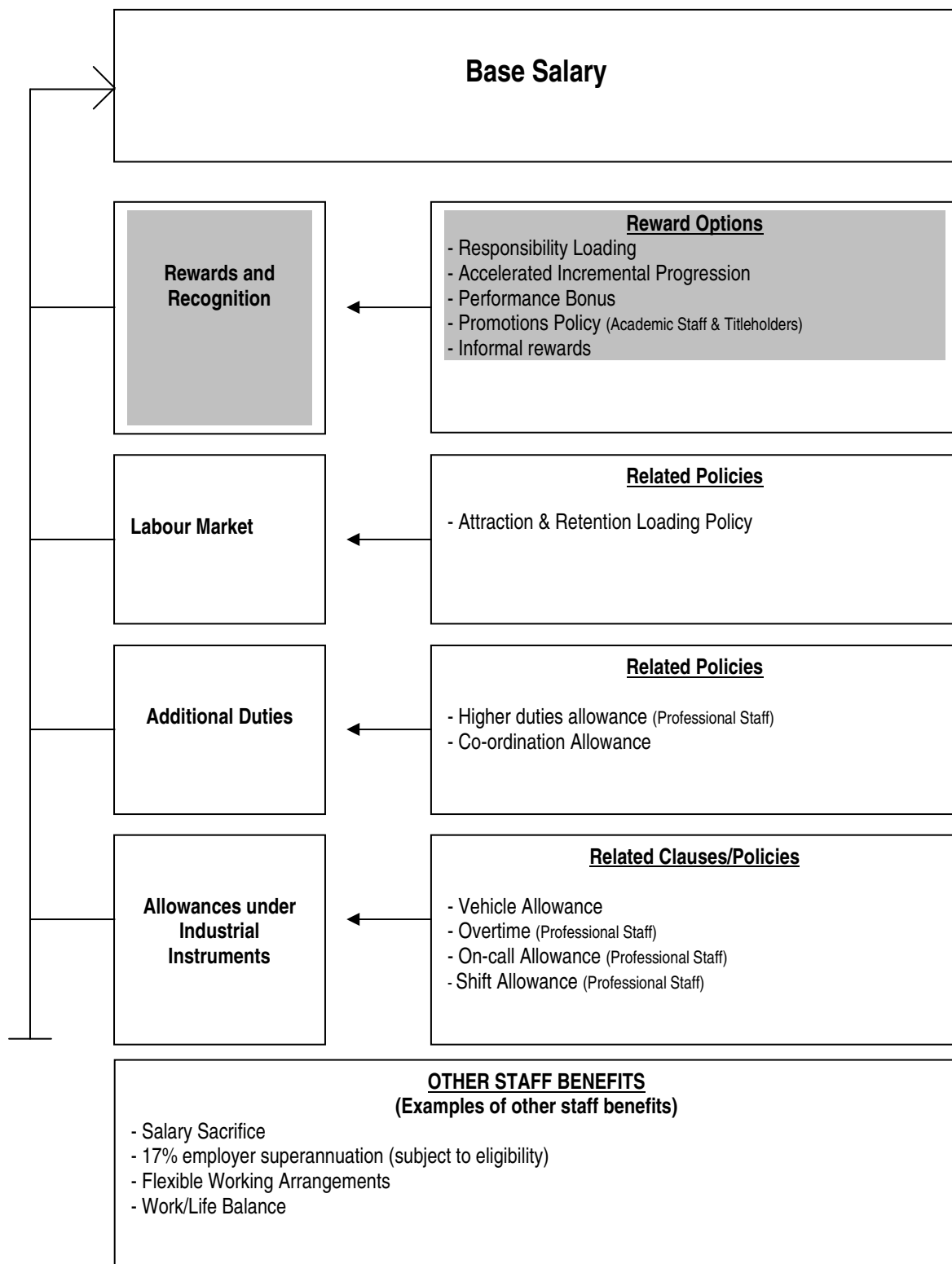


Figure 1: Overview of the Components of Compensation

Applying Rewards and Recognition

Who is Rewarded

All employees are eligible for rewards.

Teams and groups, as well as individuals, can be rewarded.

It is usual for supervisors to recognise and reward their people and teams consistently and equitably.

It is also possible to provide recognition and rewards to staff outside of your area with different reporting relationships (such as staff from IT, HR etc) where the outstanding performance or achievement has positively impacted the success of your area.

When do you Reward?

Often, exceptional performance will be linked to the PDR process and the individual objectives established under that process. Through appropriate objective setting, exceptional performance is identified when an individual consistently exceeds most objectives. In these cases, larger Informal Rewards, or any of the University Formal Rewards would be applicable.

There will also be occasions when exceptional performance occurs outside of the PDR process including spontaneous acts and initiatives. Examples are:

- A project team able to deliver results with significant cost savings and greater than expected results.
- Staff volunteering to work over a weekend to handle an emergency situation (where this is outside the expectations of their position and they would not normally be entitled to overtime payments).
- Higher than anticipated achievement, for example the acceptance of a paper in a high ranking journal.
- A spontaneous act of leadership that made a difference.
- Achieving outcomes under tight constraints and obstacles.
- Role-models a University value under difficult conditions.

Both Informal and Formal Rewards can be applied in these cases as appropriate to action or behaviour.

Timely rewards, i.e. rewards that are given as soon as possible after the exceptional performance that is being rewarded, have a greater impact on the individual or team.

There will be occasions when it is not possible to apply the reward immediately, for example when applying Formal Rewards. In these cases, keep the individual or team informed of your intention to reward them, and progress towards arranging that reward.

Fringe Benefits Tax Implications

Fringe Benefits Tax (FBT) will apply to most rewards that have a monetary component, and this cost must be included when budgeting for rewards. As an example, FBT will be incurred on rewards such as a staff luncheon, payment of HECS fees and theatre tickets.

Further information on the implications of FBT can be found on the Financial Services website at www.adelaide.edu.au/finance.

What Do You Reward?

Typical Examples of Actions that are Worthy of Recognition and/or Reward.

Demonstrated Leadership

- Demonstrating exemplary leadership, providing a sense of purpose, vision and mission to co-workers and/or staff, beyond what is expected and where great results have been achieved.
- Managing and leading complex initiatives smoothly and effectively.
- Investing time and effort in coaching and/or mentoring, and achieving success in improving capability and performance.
- Actions that significantly improve the outcome of a situation.

Teaching and Research

- Exceptional productivity and/or innovation in teaching or research.
- Demonstrating creativity, imagination or innovation with clear results, in either traditional learning environments or technology-based environments.

Community

- Exceptional effort in engaging with the community for its intellectual, environmental, social and/or cultural development.
- Breaking down barriers and/or creating new relationships for the benefit of the University.

Innovation

- The development of a new idea, or improvement on an existing idea, that results in savings to the University.
- An initiative, e.g. a simplification of procedures, that result in increased productivity, efficiency or cost containment.
- Taking a proactive and innovative approach towards finding solutions to business and workplace challenges.

Customer satisfaction

- Providing a consistently high level of service across the University community for staff, students and/or alumni.
- Exemplary service, beyond the call of duty, in resolving a customer (staff or student) issue.

Development, preservation or dissemination of knowledge

- Active seeking of opportunities to engage in activities for the purpose of knowledge transfer and sharing of information.
- Utilising external knowledge to build University capabilities and thereby contribute to the University's strategic direction.

Safety

- Innovation in safety management.
- Demonstrated leadership in safety awareness.

University Values

- Consistent striving for excellence in all areas and working to overcome obstacles to deliver excellence.
- Uncompromisingly acting with fairness, integrity, transparency and responsibility.
- Acting as a catalyst for creativity and innovation, supporting and championing efforts that result in strategic outcomes.
- Protection of the rights and responsibilities of freedom of inquiry and expression.
- Working with the local, national and international communities, enhancing the University's reputation as an employer, research institution and education provider.
- Effective management of resources through ethically sound political, financial and administrative authority.

Considerations when Applying Rewards

We aim to make the Reward and Recognition process fair and equitable, transparent and appropriate. The following guidelines outline considerations when applying rewards.

- Ensure that the level of the reward or recognition is commensurate with the achievement, level of performance or impact on the University.
- Furthermore, the reward process should ensure equity in the distribution of awards, be transparent and be based on merit.
- Where appropriate, there should be evidence based data to support reward or recognition decisions.
- Ensure the type or form of rewards and recognition provided to staff are valued and meaningful to the particular staff member(s), recognising their preference for the things they find rewarding and how the recognition is given. For example, some individuals enjoy public recognition and others prefer private recognition in person or with a thank you note.
- Ensure that the reason for the reward and the impact of the behaviour or actions has been clearly communicated, firstly to the individual or team, and then to a wider audience (where appropriate).
- Rewards are not allocated to circumvent promotion and reclassification processes; however rewards can be included as support in the Academic Promotions Process.

Types of Rewards: Informal Reward and Recognition

Understanding Informal Rewards

Informal rewards are spontaneous, sincere and personal appreciation of an individual, team or group. Informal rewards should be timely, that is, they should follow closely behind the achievement being rewarded. They can take various forms and are made at a supervisor's discretion. It is anticipated that a supervisor will have a budget for informal rewards in the Faculty/Division or School/Branch.

The following list provides examples of informal rewards.

Applying Informal Rewards**Recognition**

- Praise or "thank you", either privately or publicly.
- Writing a short note or "thank you" card or email.
- Acknowledgement at staff meetings or other appropriate functions.
- A Certificate and/or letter of appreciation with a copy placed on the staff member's

Developmental Opportunities through Job Responsibilities

- personnel file.
- Providing small appreciation rewards (e.g. movie tickets, morning teas, area sponsored luncheons, vouchers, plaques).
 - Setting up a notice board to display thank you memos, photos, progress towards goals, etc.
 - Implementation of a staff idea or proposal.
 - Arranging a personalised gift to celebrate a milestone or service anniversary.
 - Providing flexible working arrangements (where appropriate).
 - Developmental opportunities (e.g. given priority to attend "higher level" meetings, attendance at external conferences).
 - Selected to represent area at a meeting or attend as an observer.
 - Provision of more autonomy in their job.
 - Additional responsibilities in a job or role.
 - Opportunities for the staff member to provide comment on specific issues, policies etc.
 - Providing greater access to information and increased opportunities for input and advice.
 - Mentoring and work shadowing opportunities.
 - Invitation to co-ordinate and chair meeting.
 - Provide increased flexibility in working arrangements e.g. working from home.
 - Opportunities to take on additional responsibilities that are more personally rewarding.
 - An opportunity to be involved in a major presentation.
 - Provide special project/assignment work.

Smaller Monetary Rewards

Where budgetary conditions allow:

- Contribution towards HECS fees.
- Small gifts (e.g. movie tickets, gift voucher, bottle of wine, flowers, certificates, plaques).
- Occasionally allow all staff to leave an hour early in recognition of their efforts.
- Pay professional membership.
- Provide additional resource support to enable continuity of excellence in research.

Types of Rewards: Formal Financial Reward and Recognition

Understanding Formal Rewards

The University has a range of formal mechanisms for recognising and rewarding the performance and achievements of staff. These are set out in the following policies (as amended or replaced):

- [Bonus Payment Policy](#)
- [Salary Increment Policy](#)
- [Responsibility Loading Policy](#)

Types of Rewards: Formal University-Wide Reward and Recognition

In addition there are several rewards that are not covered by policy, but are available through nomination, and are celebrated on an annual basis. They include:

- 25 year Service Recognition Award
- Formal Awards that are specific to a Faculty / Division
- Other Formal University-Wide Awards (currently undocumented)

The following table provides guidelines for the selection of Formal Rewards.

	Formal Reward	Use when ...
Guidelines for Selecting and Recommending Appropriate Formal Rewards	Bonus Payment	<p>When measured performance exceeds individual targets/objectives as set out in the PDR. However, its application is not limited to the use of PDR.</p> <p>A bonus payment can also be made in recognition of efforts in a one-off extraordinary event, or to reward staff that have performed exceptionally but have reached the top of their incremental salary range where an accelerated salary increment is not an option.</p>
	Salary Increment	<p>This can be used when an employee's achievements consistently exceed the expectations of performance for the level of position they fulfil. (If salary is already at the maximum of the salary range, consideration should be given to a one-off bonus payment.)</p> <p>This can also be used when there is reasonable expectation that the level of the performance will continue, and after due consideration of other forms of reward and recognition.</p>

Promotion	Where particular merit is demonstrated in some or all of the following categories: <ul style="list-style-type: none"> • Teaching (and related duties) including supervision. • Research, scholarship and creative activity, • Administration, service and leadership in the University. • Professional activity including service to the community.
Responsibility Loading	Where a staff member, as a reward for performance, undertakes or is appointed to a position or role that carries additional responsibilities. Where possible, managers and supervisors should take into account the employee's learning goals and career aspirations when appointing staff to a position which carries additional responsibility.

Types of Rewards: Extraordinary Reward and Recognition

Understanding Extraordinary Rewards

When the need for a reward falls outside of the guidelines above and the available formal mechanisms, an Extraordinary Reward can be applied.

The University will maintain a central fund to provide for extraordinary rewards. Human Resources will manage these resources, making recommendations in conjunction with the appropriate Head of Department, and allocating funds accordingly.

Before applying for reward funding under the Extraordinary Reward mechanisms, consult Human Resources.

Application forms are available at:

www.adelaide.edu.au/hr/performance/reward/ .

Responsibilities and Accountabilities

Vice-Chancellor and President, Deputy Vice-Chancellor, Vice-Presidents, Executive Deans, Directors

- Drive a Performance Excellence culture, including Reward and Recognition, within their area of responsibility.

Heads of School /Branch

- Manage and systematically apply fair and equitable formal and informal reward and recognition for outstanding performance in the Faculty/Division or School/Branch, developing a culture of continuous and sincere reward and recognition of achievements.

- Ensure formal rewards are implemented as per the policy.
 - Monitor, record and report expenditures related to reward and recognition.
 - Make provision in the budget for reward and recognition in the informal and formal categories (where funding is not normally provided from other sources).
 - Ensure the allocation of rewards is manageable within the budget.
 - Provide additional Rewards and Recognition reporting as required, including details of Bonus Payments in the annual report to the Vice-Chancellor.
- Supervisors**
- Approve, arrange and allocate informal rewards in accordance with the Faculty/Division or School/Branch strategy.
 - Recommend formal rewards for eligible staff to the next level Manager.
- Human Resources**
- Assist supervisors to develop reward and recognition strategies, and to plan and apply reward and recognition.
 - Provide guidance to supervisors on appropriate reward and recognition.
 - Oversee the use of the reward and recognition programs, reviewing and updating the process in line with best practice and organisational suitability.
- Other, Related Documents that may Assist Managers**
- [Staff Planning and Development Review Policy and Guidelines](#)
 - [Classification Review Guidelines \(Professional Staff\)](#)

You are encouraged to consult with Human Resources if you require assistance with understanding any aspect of this document, or advice on rewards and recognition.