



## Creating a culture of appreciation through reward and recognition



### OVERVIEW

Pharmaceutical suppliers APHS were faced with a challenge. Their people had told them that they weren't recognised enough and their rewards were not effective. APHS did not have a formal reward and recognition program as it relied on an individual manager's discretion which varied across the business and from site to site. APHS set about rectifying this and improving employee engagement overall, by contacting RedBalloon to deliver an Online Points program with a focus on peer to peer nomination and exciting rewards.

This case study highlights how, in less than two years, APHS were able to successfully improve their Gallup engagement scores and create a deep-seated culture of appreciation across the business.

“The RedBalloon online points platform has provided the structure and drive for our rewards program and has been instrumental for us to improve our engagement results and create a deep-seated culture of appreciation across the organisation.”

Cathie Reid, General Manager & Partner APHS

### BACKGROUND

APHS employs 450 people to provide pharmaceutical supplies and clinical services for clients in the Hospital, Oncology and Aged Care Sectors across Australia.

APHS is a fast growth company, constantly hiring new employees and acquiring new business. In 2008 the business grew 30% in size in the space of one month due to the acquisition of three businesses. In a company as fluid as this, employee morale is a pulse that needs to be checked on a regular basis.



Mix business with pleasure.



## THE CHALLENGE

Before APHS used RedBalloon, it was up to individual managers to recognise APHS employees. There was no formalised process, which meant efforts to reward and recognise staff lacked consistency and ultimately, depended on how high a priority it was for the manager at the time.

Consequently, research carried out by Gallup showed APHS employees felt they were not recognised enough and the rewards used by APHS were not effective.

Cathie Reid General Manager and Partner of APHS said “The research indicated that movie vouchers and store gift cards were a very old fashioned way of doing things and could even be viewed as a negative, rather than a positive. We wanted to find new and exciting rewards that would really get our people excited”.

The size and structure of the business also made it difficult for employees across each service area to stay informed of the contribution they were all making.

APHS is dispersed across every state in Australia bar the Northern Territory. The RedBalloon program made rewarding APHS employees simple, regardless of their location.

## THE IDEA

Naomi Simson, employee engagement specialist at RedBalloon worked with APHS to identify the core objectives for the program:

- ✓ To increase the consistency of recognition throughout the organisation.
- ✓ Improve employee engagement across all areas of the business.
- ✓ Develop a program that supports and drives employee performance and is communicated freely by participants.
- ✓ Contribute to the development of a more cohesive culture by exposing the activities of individuals and teams to the rest of the business through celebration.
- ✓ Ensure recognition promotes APHS core values and behaviours.

## THE SOLUTION

RedBalloon’s solution to achieve these objectives was to implement the Online Points Program, similar to a ‘Frequent Flyer’ type model in which participants are rewarded with points they can redeem for experiences.

“ We wanted to find new and exciting rewards that would really get our people excited. ”



“ Our operational areas really like having a forum and appreciation for the work that shared services do for them. The RedBalloon program has given the operational areas the opportunity to express their gratitude and this has led to a better relationship between the shared services and operational division. ”

The Program was hosted at an APHS branded URL with full participant and management functionality. Participants could go online to view customised welcome messages and their point balance. They could add experiences to their Wishlists and use their points to purchase RedBalloon experiences.

RedBalloon worked with APHS to establish an appropriate currency based on their budget, rewards strategy and opportunity for rewards for each participant.

## The Key Benefits the of the Online Points Program for APHS were:

### 1. Peer-to-Peer nomination

Research from The Gallup Institute has found that people forget acknowledgement as little as seven days later. Recognition at APHS was made regular and personalised through Peer-to-Peer nomination. Each employee was given a RedBalloon account and access to the APHS RedBalloon website. All APHS administrators set a budget of points per month, log in to the URL to assign points, communicate program highlights and announcements to participants as they saw necessary.

Cathie said, it can be confronting for somebody to receive a call from another person saying... 'I've just heard you did this great thing for the business, thank you'. While it's lovely, it doesn't necessarily happen. Whereas it's much easier to send a quick email with some RedBalloon points saying 'hey, I heard you won that tender, fantastic job, just wanted to say great work and job well done'.

Dr. Anthony Grant, Director of Coaching Psychology at The University of Sydney says high performing teams have five times the number of positive interactions than low performing teams. This includes positive reinforcement and meaningful compliments, saying thanks and "good job".

### 2. Spreading hero messages

RedBalloon became a well-known currency, creating genuine excitement in the teams, incentives for staff to look forward to.

APHS maximised on their results by following up the winners and getting them to share their stories with photos and feedback of their experiences. At various sites teams had put up noticeboards with photos of staff on their experiences and the company newsletter featured staff and their chosen RedBalloon rewards.

Cathie commented "I'm surprised at how deeply embedded in our company culture it has become in a reasonably short period of time".

“ Just the concept of having an email arrive in your inbox announcing that one of your colleagues has given you points and this is the reason why and your emails are attractively presented, pictures of different experiences around them.

The online management of it was very appealing as well. ”



APHS Newsletter - Each month APHS include a story and photo of an employee's amazing experience to reinforce communications

## 3. Choice

People want to be noticed in different ways, not in a one size fits all solution. Imagine the employer branding potential you could unleash by giving your people the gift of a memory as opposed to more stuff!

Cathie commented, "We really liked the diversity of experience that RedBalloon offered. There are so many experiences that exist within the program, I'm yet to find anybody within our organisation who hasn't found something that appeals to them."

RedBalloon's range covers more than 2000 experiences from twelve categories ranging from Flight & Flying, Water, Kids, Getaway, Gift Boxes, Gourmet, Group, Outdoor, Spa & Wellbeing.

Consider how people would talk if they were given a gift for husky dog sledding, an aerobatic flight, belly dancing or, swinging through the air on a trapeze. These rewards give people the chance to tell anyone they meet that they were given the opportunity to experience something they would have never dreamed of buying for themselves, this speaks in volumes for your company brand.

According to Naomi Simson "shared experiences produce relationships, they generate conversations, create memories and build emotional bonds."



Recently the pharmacy team redeemed points for a twilight Story Bridge climb in Brisbane. Lobby Supervisor, Natalie Leaney told us "I thought the climb was awesome, a great experience you don't normally get to do."

## SIMPLE PROGRAM SET UP AND MANAGEMENT

- ✓ **Customising the online interface** - APHS was given its own company branded RedBalloon URL through which APHS managers could assign RedBalloon points to selected employees.
- ✓ **Structuring the program** - Each APHS employee was given a RedBalloon account and access to the APHS RedBalloon website. APHS managers distribute a certain number of RedBalloon points (to be used for RedBalloon experiences) to their team members.
- ✓ **Quick and easy training session** - Selected APHS staff were guided through the ins and outs of the online system by RedBalloon consultants.
- ✓ **Peer-to-peer nomination made easy** - All APHS administrators needed to do was simply log in to the URL to assign points, communicate program highlights and announcements to participants as they saw necessary.



APHS Branded Redballoon Website

## THE RESULTS

### ✓ **Creating a culture of appreciation**

The Online Program created a deep-seated culture of appreciation across the organisation. "Feedback from Gallup suggests that APHS employees now have a strong perception that they will be recognised or praised for good work, and we believe the APHS RedBalloon Rewards program to have been a key driver in this change" says Cathie.

In addition, the business also improved their Gallup engagement results by a statistically significant margin and created unity and open communication amongst disparate geographical locations.

“After running the program for two years APHS have celebrated their **300th** experience.”

### ✓ **Creating stories and excitement**

RedBalloon became a well-known currency, creating genuine excitement in the teams, incentives for staff to look forward to. As Cathie said "Once the momentum is there, your team will take over a large part of the internal promotion via word of mouth".

“RedBalloon experiences are a great idea, it is a **great incentive for staff** and a nice way to be rewarded.”

Natalie Leaney, APHS employee

“We are **ecstatic with the results** from the RedBalloon program and **our people are genuinely excited.**”

Cathie Reid, General Manager & Partner APHS

#### About RedBalloon

RedBalloon For Corporate provides incentive, reward and recognition solutions for businesses that are challenged with the task of ensuring their employees are engaged, motivated and rewarded. We provide businesses with experience based employee recognition programs that are fun, innovative and geared toward the organisation's goals.

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