

How a Comprehensive Rewards and Recognition Program Drives Employee Engagement

What's inside:



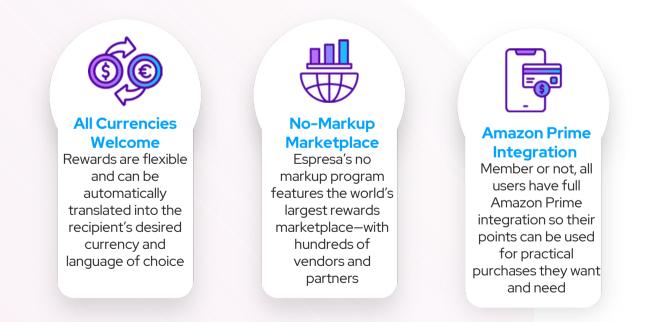
Powering Great Workplaces® with Personal Benefits Employees Love

Espresa Leads the Charge on Supporting Your Workforce

In this guide, we will cover how a comprehensive, **zero-markup**, rewards and recognition (R&R) platform can supercharge your team's motivation, foster inclusivity, and combat burnout. In today's workplace, a robust total rewards strategy isn't just a perk—it's an expectation. While many employers may define rewards and recognition differently, it isn't enough to simply provide an annual pat on the back or a holiday pizza party to keep your employees satisfied.

By addressing the unique needs of your workforce, an effective employee rewards program can drive real results. Many organizations rely solely on promotions and base salaries to motivate their teams, leaving little incentive for employees to go above and beyond. Espresa is changing that.

For HR teams exploring employee recognition ideas, Espresa is the ultimate tool. Gallup's 2023, <u>State of the Global Workplace</u> report highlights a staggering \$9 trillion loss in global GDP due to low worker engagement.¹ By encouraging cross-department collaborations, recognizing value-driven behaviors, and offering an easy-to-use points-based reward system, modern workplaces can start reclaiming that lost engagement.



Espresa empowers everyone to acknowledge and reward coworkers across departments.

If you are an employer please reach out to: sales@espresa.com If you are a consultant please reach out to: consultants@espresa.com

Gallup State of the Global Workplace

Why Rewards and Recognitions Matter

Supporting and rewarding employee success is key to achieving long-term business success, regardless of industry or organization size. Employees who go above and beyond their salaries to deliver exceptional results form the backbone of every business. Yet, when their efforts go unrecognized, burnout and turnover become inevitable.

<u>Gallup</u> reports that only one in three U.S. workers strongly agree they've received adequate recognition in the past week, and those who feel undervalued are twice as likely to consider quitting within a year.² <u>SHRM's 2022 data</u> reveals that replacing an employee can cost three to four times their annual salary—making high turnover unsustainable.³

An employee reward program is a powerful solution. By providing meaningful, cross-organizational incentives, companies can encourage collaboration, increase retention, and build a more knowledgeable and reliable workforce. Recognizing employees with tangible rewards for their contributions ensures they feel valued and invested in your company's success.

The Tangible Results of Rewards and Recognition

Comprehensive employee rewards programs don't just offer tangible rewards—they drive deeper engagement. When employees feel valued, they're more committed to the company's mission. Espresa's marketplace, with no transaction fees or markups, ensures that employees get the full value of their points and organizations avoid surprise charges. No markups mean no hit to where budgets should be spent: on employees.

A <u>recent Gallup survey</u> highlights a key insight: recognition goes beyond its monetary value.⁴ When asked about their most meaningful recognition, 28% of employees said recognition from their manager, followed by 24% who valued recognition from a high-level leader or CEO. While peer-to-peer and customer recognition matter, over 50% of employees take immense pride when acknowledged by their manager or CEO.

R&R programs provide an opportunity for managers and executives to connect with their teams on a deeper level, showing genuine appreciation while driving engagement through meaningful rewards.

Comprehensive R&R Programs Drive Engagement



⁴ Gallup Survey

³ SHRM's Report

Case Study: Alnylam's Transformative Approach to Well-Being and Recognition

Alnylam Pharmaceuticals, a global biopharma company operating in 18 countries, partnered with Espresa to implement a Lifestyle Spending Account (LSA) and Rewards & Recognition (R&R) program that drives engagement, flexibility, and global consistency.

"We've had nothing but positive feedback on the R&R and LSA portal and process since we began working with Espresa. We've seen some great participation from our team and it's something we're incredibly proud to provide."





- Scott Bishop, AVP Benefits, Alnylam Pharmaceuticals, Global BioPharma Operating in 18 Countries

Key Outcomes:

85% of employees actively use their LSA, reinforcing its value in personal well-being and development



Global consistency with local relevance—ensuring equitable benefits while adapting to regional cost-of-living and legal requirements

Flexibility in spending, with top categories including physical wellness (55%), groceries (17%), and lifestyle activities (11%)

Peer-to-peer recognition culture, with 13,927 recognitions given, 81% of employees receiving recognition, and 55% actively recognizing colleagues

 \bigcirc

Scalable recognition framework, offering seven reward tiers, including meaningful financial incentives up to \$500

The Impact:

Alnylam's strategic approach to well-being and recognition has created an engaged, empowered workforce, reinforcing its commitment to employee experience, retention, and performance at a global scale.

How Diverse Redemption Opportunities Encourage Inclusion

What happens after recognition? Platforms like Espresa make it easy for employees to not only have their achievements celebrated but also receive points to redeem in a diverse marketplace. A customizable marketplace ensures that every employee can receive rewards that matter to them.

Inclusive Options for all Employees

With a wide range of options, diverse rewards cater to every employee, especially important as generational differences in the workforce grow. As Baby Boomers retire and Gen Z enters the workforce, offering personalized incentives is essential to meet the needs of a team with differing financial priorities.

After working hard for recognition, no employees want to see a limited rewards selection that doesn't appeal to them. For example, an outdoorsy employee might redeem points for a hiking backpack, while a more homebound employee might choose a meal delivery gift card. By providing an extensive rewards marketplace, you encourage employees to explore new interests, support current ones, and save money in a changing financial environment.

Popular Marketplace Vendors



Industry-Leading Global Rewards Marketplace

- Full Amazon Catalog (Prime Shipping)
- Branded Company Swag
- Charitable Giving Opportunities
- Discounts on Wellness Brands (e.g., Calm, Headspace)
- Exclusive Partner Discounts (10-30%)
- Access to an Expanded No-Markup Marketplace
- Global Gift Cards and Expanded Merchandise Options
- Travel Rewards (Flights, Hotels, Cars)
- Unique Experiences

Recognition Ties to Core Values

Recognizing employees for exceptional performance is crucial, and equally important is celebrating those who embody your company's core values. Employees recognition ideas don't always need to be tied to a large project or a sales win. Acknowledging employees on a human level can have just as much impact on their long-term success.

Your organization likely has "core pillars" that reflect its values and priorities. Use these as benchmarks to reward employees who bring those values to life. Recognizing contributions like fostering a positive atmosphere or building team morale encourages others to follow suit, creating a culture of positivity, productivity, and engagement.

The Harvard Business Review notes:



of all Fortune 500 companies claim integrity is among their core values



of all Fortune 500 companies prioritize customer satisfaction



of all Fortune 500 companies cite teamwork as one of their most important values

"Employees want to feel valued for their hard work, especially when going the extra mile on the job. Being recognized and rewarded in front of peers enhances that sense of appreciation and validates their contribution to the company."



- Gaby Toledano xCPO, EA and Tesla

⁵ The Harvard Business Review

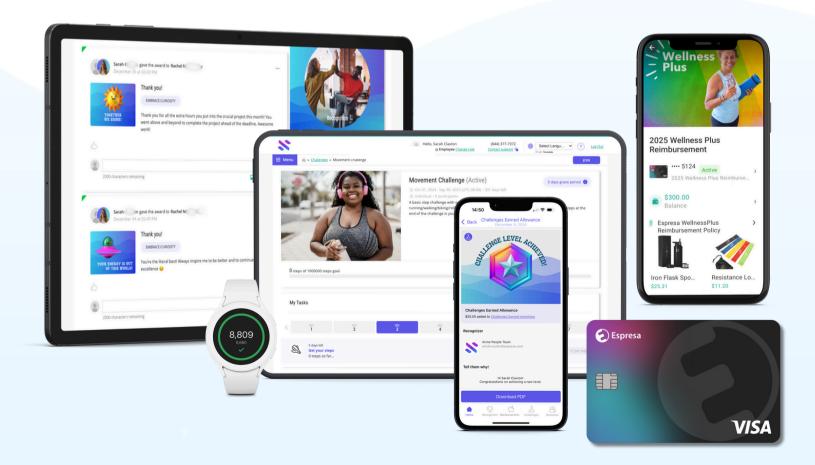
6

Espresa's LSA Plus™ Opportunity

While an employee rewards program can stand on its own, consolidating point solutions enhances ROI even further. Espresa's LSA Plus[™] combines the power of rewards and recognition with Lifestyle Spending Accounts (LSAs), well-being and challenges, and communities (ERGs) and events, creating a unified and impactful benefits experience.

Bundling R&R with other benefits drives deeper engagement and connection. For example, a monthly volunteer challenge could spark friendly competition among employees, while an after-work event at a local food kitchen showcases leadership and community. With LSA Plus, these elements are seamlessly integrated into one platform, creating a cohesive program tied to your organization's core values.

This well-rounded approach supports Total Well-Being, addressing employees' physical, mental, familial, emotional, and social needs. Employees can earn funds through challenges, recognition, and events—giving them more reasons to engage with your company while fostering stability and connection.



Important Considerations

If you're considering adding a rewards and recognitions program, here's what you should keep in mind:

Taxation Considerations

While R&R programs offer numerous benefits, it's essential to account for tax implications before implementation. LSAs and points earned through R&R are considered taxable income, but employees are only taxed on the funds they use. Tax laws vary by state and country, so it's critical to research how they apply to your organization. Consult a tax expert to keep your team compliant and prepared!

Global Scalability

Benefit plans often require adjustments to accommodate the diverse needs of a global workforce, such as platform language and currency options. Espresa simplifies this by offering complete customization, supporting hundreds of languages and currencies to ensure seamless recognition experiences for employees worldwide.

Define Employee Well-Being

Employee well-being extends beyond traditional health benefits—it's about creating a workplace where employees feel valued, connected, and supported across all dimensions of their health: physical wellness, mental health, financial security, and social connections. Prioritizing well-being delivers tangible results, as employees are:

- 1.6x more likely to feel valued
- 1.5x more likely to feel a sense of belonging
- 1.3x more likely to feel successful

In today's workplace, 66% of employers view health and well-being as essential to their strategy, and half of employees consider well-being programs a major workplace draw. Tools like monetary recognition, Lifestyle Spending Accounts (LSAs), incentivized wellness challenges, and community-driven initiatives give employees the personalized resources they need to thrive.

Ensuring a Successful R&R Launch



Prepare Team Members

Whether launching to 10,000 employees globally or to 1,000 locally, planning is key to success. Keep employees informed with milestone emails—typically sent 90 days before, 30 days before, and the day of launch—to build anticipation and awareness.

\bigtriangledown

Ensure Equitable Standards

In today's hybrid work environment, recognition must be inclusive. Remote and international employees deserve the same acknowledgment as those on-site. Balance in-person and virtual recognition to ensure every contributor feels valued, regardless of location.



Establish Budget and Approvers for Point-Based Recognitions

Set a clear budget for point-based recognition and designate specific managers or leaders as approvers. A streamlined process ensures responsible use of funds and timely recognition.



Personalize Recognitions

Recognition is a deeply personal gesture. Maximize its impact with thoughtful, customized messages that express genuine admiration and respect for the recipient's contributions. Additionally, give employees the option to share their recognition on professional platforms like LinkedIn, amplifying their achievements and strengthening your company's brand as a people-first employer.



Your Rewards and Recognition Program with Espresa

R&R is a cornerstone of any total rewards strategy, essential for combating burnout and turnover. Continuous recognition of your workforce's successes not only encourages ongoing efforts but also boosts morale and productivity. When employees are empowered to reward their peers, they see their contributions as more valuable, driving engagement and positivity.

Employee rewards programs don't have to be complex—and with Espresa, they never are. As a one-stop platform with global adaptability and an inclusive marketplace, Espresa helps build a culture of recognition that lasts.

Contact us today to get started.

If you are an employer reach out to: sales@espresa.com

If you are a consultant reach out to: consultants@espresa.com



