

**Subject:** Staff Recognition Policy

**Recommendation:**

**BE IT RESOLVED THAT Council receive Report #2022-0089 – Staff Recognition Policy, for information;**

**AND THAT Council repeal the Recognition of Staff – 25 Years of Service Policy S201-01 and replace with the Employee Recognition Policy S100-05.**

**Background:**

The Town has had a number of significant milestones reached by staff over the last two years, including a 30 year work anniversary and three 20 year anniversaries. Currently, the Town has a policy (S201-01) whereby staff are recognized by Council at a public meeting and presented with a plaque and jewelry item at their 25<sup>th</sup> anniversary date. Though this policy was an appropriate recognition program, Town administration sees a need to formally recognize employees for important milestones achieved prior to and after 25 years of dedicated service to the Town of Pelham. Further, the presentation of jewelry is an antiquated practice. Modernization of employee recognition is a key component of the Town's approach to being a progressive employer that offers a supportive workplace environment.

**Analysis:**

Short work tenures are becoming much more common, with the median tenure for employees aged 25 to 35 being only 3.2 years. Accordingly, it has never been more important to praise those who choose to stay with the Town long-term. Acknowledging work anniversaries validates employee commitment, ensuring loyalty is recognized and not taken for granted. Awards and recognition helps tenured employees remain engaged while encouraging new hires to stay committed to their role. Administration is proposing the following service recognition awards be granted to staff who reach 5, 10, 15, 20, 25, 30, 35 and 40 years of continuous service with the Town:

5 years	Long term service certificate along with a selected gift card of employee's choice valued at \$50 and a Pelham branded item
10 years	Long term service certificate along with a selected gift card of employee's choice valued at \$75 and a Pelham branded item
15 years	Long term service certificate along with a selected gift card of employee's choice valued at \$100 and a Pelham branded item
20 years	Long term service certificate along with a selected gift card of employee's choice valued at \$125 and a Pelham branded item
25 years	Long term service plaque, recognition at a public Council meeting along with a selected gift card of employee's choice valued at \$150 and a Pelham branded item
30, 35 & 40 years	Long term service certificate along with a selected gift card of employee's choice valued at \$175 and a Pelham branded item

Eligible gift card choices will include Pelham Bucks, as well as gas, grocery, dining, or entertainment and will be provided by Human Resources. There will also be an opportunity for staff to donate the value of their gift card to Pelham Cares or the United Way if they so choose. Pelham branded small items will include pens, key chains, water bottles, or clothing.

Those who receive a service award throughout the year will also be recognized by the Chief Administrative Officer at an annual staff appreciation meal. Those who reach 25 years of continuous service will still be recognized at a public Council meeting and presented with a plaque as is outlined in the current policy.

### **Financial Considerations:**

Human Resources has prepared a five year cost analysis of implementing this program. Assuming zero turnover (which is unrealistic), the purchase of gift cards and Pelham branded items to award significant milestones will cost \$800 to \$1,500 annually. This cost can be funded using the Human Resources Capacity Reserve. Council will recall that this reserve is funded through corporate savings from staffing vacancies to be used to support employee based initiatives.

### **Alternatives Reviewed:**

The Town could continue recognizing only those who achieve 25 years of service. This is not recommended as a viable option moving forward as this is not a very fulsome recognition program and leaves those achieving other significant

milestones feeling unappreciated.

### **Strategic Plan Relationship: Strong Organization**

Service recognition programs play an important role in acknowledging employee contributions, celebrating accomplishments and are essential to increasing overall employee engagement. Keeping engagement high is one of the easiest ways to promote productivity. Studies show that engaged employees cost organizations less in wasted time and money, and they are often more willing to go above and beyond the normal expectations of their job when they feel their work is appreciated.

Programs of this kind are also an excellent way to attract and retain talent. Consistent and genuine recognition makes people want to stay and continue contributing towards the organization's success. A recent study by C.A. Short Company found that 66% of respondents said they would leave their jobs if they felt unappreciated. Human Resources departments need to make every effort to keep good talent and demonstrating that employees are truly valued is one of the easiest ways of achieving this.

### **Consultation:**

The results of various studies regarding the importance of employee recognition programs were used during the preparation of this report.

### **Other Pertinent Reports/Attachments:**

Appendix "A" – Staff Recognition Policy.

Appendix "B" – Recognition of Staff – 25 Years of Service Policy.

### **Prepared and Submitted by:**

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