



Incentive Marketing Association  
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## ***Recognizing Employees for a Job Well Done Doesn't Have to Lead to a Congressional Investigation***

### ***White Paper Shows Importance of Employee Engagement to Bottom Line Growth***

April 7, 2009 Naperville, IL – Today's employees are often stressed out because they're doing the jobs of several laid-off coworkers – or they're worrying about their own future instead of that of their company, or both. One way to relieve the stress is with an appropriate – and affordable – recognition and rewards program. A new white paper released by the [Incentive Marketing Association's Recognition Council](#) points out that recent research shows companies using recognition and incentive programs are often rewarded with improved revenue, higher profits or survival when competitors are closing their doors.

The white paper, [\*\*\*The Time for Employee Recognition and Rewards Programs Is Now\*\*\*](#), examines current research and demonstrates why employers should keep programs that recognize workers despite temptations to eliminate them as a way to reduce strained budgets.

"Successful companies know engaged employees generate bottom line results and recent research shows that a lack of employee engagement can lead to as much as a 10 percent reduction of the Gross National Product," says Karen Renk, CAE, executive director of the Incentive Marketing Association. "Today's buyouts, bailouts and bankruptcies have undermined the workforce stability already shaken by changing demographics, making employee engagement a critical factor not only for success, but also for a company's very survival."

According to Renk, the paper points out:

- ♦ Companies with recognition and reward programs outperform their competition;
- ♦ Recognition and reward programs are compatible with Return on Investment (ROI);
- ♦ Customer satisfaction, employee loyalty and profitability are all tied to recognition.

“Among other things, we found a 2007 study that showed that engaged employees increased company earnings per share by as much as 28 percent and low employee engagement can result in declines of up to 11 percent per share,” said Peter Hart, CRP, president of the Recognition Council. “Our goal was to provide a sound basis for companies faced with the decision to keep or eliminate employee recognition and rewards programs.”

The paper concludes that today’s economic realities are churning the business environment and talent pool in ways heretofore unforeseen and that “recognized employees become the engaged employees who are measurably more productive.”

The analysis is part of the continuing focus of the Recognition Council as the strategic industry group of the Incentive Marketing Association responsible for increasing awareness of how recognition and reward programs can help achieve better business performance. The complete paper is available on the Recognition Council’s Web site at <http://www.recognitioncouncil.org>

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The **Incentive Marketing Association (IMA)** is the leading voice of suppliers in the incentive marketplace. IMA provides education and information services, publications, conferences and seminars, and research to businesses to help them effectively use incentive programs to motivate employees and customers. More information about the IMA and the incentive marketplace is available at [www.incentivemarketing.org](http://www.incentivemarketing.org).

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