

## Book Review

### **A guide to non-cash reward**

Michael Rose

Kogan Page, 2011. 194pp.

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At the heart of Michael Rose's book are two simple ideas: organisations should recognise the great things that people do and use more non-cash awards to help recognise and incentivise them. The book shows how these connected ideas can deliver huge benefits for the organisation at little or no additional cost.

Rose demonstrates why and how non-cash can be far more effective than cash. For instance, non-cash awards can have memory value, so their impact lasts longer than a cash award. The perceived value of a non-cash award can also be much higher than its actual cost to the organisation or a cash equivalent, particularly if the firm is able to buy the awards at special rates or can use their own products or services.

The book explores why recognition is important, which workplace activities employers should consider recognising (such as customer service, length of service or health and safety), the most effective frequency for recognition (often variable random reinforcement) and the critical role of the line manager. Underpinning Rose's insights is the theoretical basis of recognition, stretching from the theories of Herzberg, Maslow and Skinner that most CIPD members recall from their student days to more recent ideas around employee engagement and happiness.

While getting non-cash recognition right can bring demonstrable business benefits, getting it wrong can cause major problems. To avoid this, the book provides plenty of guidance to help employers successfully design and implement a non-cash recognition programme.

Setting out his key ingredients for successful implementation, Rose's key messages are:

- Be genuine: if you don't mean it, then don't say it
- Be timely: make it as close to the event as you can
- Be personal: use the person's name
- Make it specific: refer exactly to what the individual did
- Be clear: explain why it is appreciated
- Make it public: find a way to let others know about it.

While it may not be possible to have all of these six ingredients in your reward cupboard, it is still important to maximise those ingredients at your disposal. The most important element of recognition, Rose believes, is authenticity.

The book has helpful guidance on the crucial issue of assessing and evaluating whether the scheme is doing what it is supposed to do, something often forgotten at the design and implementation stage. The recognition scheme should not be some semi-detached initiative dreamt up on the golf course by the CEO, says Rose, but should be embedded within the organisation's people management strategy, supporting elements such as reward, performance and talent development.

The book features 10 case-study examples of non-cash recognition in practice, with experiences from employers of varying size across different sectors, and from a domestic and global perspective. All in all, this is a very insightful book at a time when cash is in short supply.

**Reviewed by Charles Cotton**, Public Policy Adviser, Reward

Charles directs the CIPD's reward research and practice agenda and recently produced a free member guide on the annual pay review process. He is also responsible for the CIPD's public policy work in the area of reward and has given evidence to select committees as well as responding to various consultations. Charles is a chartered fellow of the CIPD.