

NCSHA Awards Entry Description
Management Innovation: Human Resources

Housing Heroes – Recognizing Employees for Great Work
North Carolina Housing Finance Agency

"The deepest principle in human nature is the craving to be appreciated" - William James

Bricks, hammer and nails, firm foundations, doorways, windows and rooftops—all are elements of building a house. So what do they have to do with Human Resources? At the North Carolina Housing Finance Agency they are all part of **Housing Heroes**, a new program recognizing employees who “make home happen.”

Based on sound HR research, this employee-designed initiative has been warmly received. At a time when finances are tight, merit budgets are frozen and state health care premiums are rising, **Housing Heroes** is helping our Agency maintain morale, foster teamwork, and recognize personal contributions.

- Libby received a “Brick” from a fellow employee to thank her for taking the time to help her fully understand a policy.
- Manager Trisch gave a “Hammer and Nail” spot award to Paula for giving up her day off to solve a computer problem that almost shut the system down.
- Russ earned a “Firm Foundation” by putting our Agency’s values in action—making two extra site visits to ensure a memorial plaque was perfectly installed and a project dedication in memory of an Agency founder would be flawless.

One might ask, “Isn’t this all part of their jobs?” “Isn’t that why they get paid?” The answer is complex. Employees not only want good pay and benefits, they also want to be valued and appreciated for their work.

The Challenge

Mary Kay Ash, the founder of Mary Kay Cosmetics, theorized that employees want recognition and praise even more than money. She built her entire enterprise on that theory and it worked. If there is one thing that high-performance companies have in common, it is that they recognize, value and validate outstanding work. Employees are motivated, turnover is low, company expectations and goals are met and exceeded.

Those results take much more than just “show me the money.” A series of national research studies conducted over the past 50 years (from the Labor Relations Institute survey in 1946 to the GHR Training Co. survey in 2001) found a striking disconnect between what managers believed their employees wanted from their jobs and what the employees reported was most desirable. While managers always rank good wages as the most important, employees consistently rank recognition at the top.

Motivational Factor	Empl Rank	Mgr Rank
Full appreciation for a job well done	1	8
Feeling “in” on things	2	10
Help for personal problems	3	9
Job security	4	2
Good wages	5	1
Interesting work	6	5
Professional growth opportunities	7	3
Loyalty to workers	8	6
Good working conditions	9	4
Tactful disciplining	10	7

In conjunction with an Agency-wide visioning project, the N.C. Housing Finance Agency set out in 2008 to engage our employees, improve our reward and recognition actions and build a culture of recognition.

Our Solution

To embrace a culture of recognition, our HR Department created an employee team to study and develop recognitions that would reward and reinforce outstanding performance. Volunteers from each business group met regularly over the course of several months to determine the behaviors we wanted to encourage and identify the recognition methods that would be valued by our employees. The process and results would be easy for other HFAs to replicate.

Based on the research it reviewed, the team required that our recognition program should encourage certain behaviors and include several key components:

Actions to Encourage / Recognize:

- Actions supporting Agency values
- Successful completion of a project
- Special help with a challenging situation
- Outstanding performance
- Great ideas

Required Program Elements:

- Link rewards to Agency strategies and goals
- Impact a large number of employees
- Create simple and user-friendly systems
- Involve employees in design and implementation
- Give personalized awards, including small monetary awards and time off
- Give immediate and innovative awards
- Enable peer recognition

With these criteria in mind, the employee team created a multi-layered employee recognition program that gives employees not only the opportunity to be rewarded for their work, creative ideas and team contributions, but also to reward deserving co-workers for their contributions. This approach fosters increased teamwork as well as driving outstanding individual performance.

Like elements of building a home, the **Housing Heroes** program consists of several elements, from small (the Brick) to much larger (the Rooftop).

- ❖ ***The Brick***—Brick by brick, we will accomplish great things. A Brick award is given by one employee to another to express appreciation. This is a “thank-you” for special help, delighting the customer (internal or external), pitching in to help outside of one’s own job. Reward is a colorful, visible coupon that states the reason for the recognition. The employee may collect the coupons and redeem them for small prizes such as movie tickets. Many employees display their Bricks on their doors or bulletin boards as a source of pride for a job well done.
- ❖ ***The Hammer and Nail***—This “on-the-spot” award recognizes a special action or achievement. Managers may reward an employee with a small gift card for making an exceptional and significant contribution to the team. This is for an extra-special effort.
- ❖ ***Windows of Opportunity***—Windows of Opportunity recognize “big” ideas outside of an employee’s direct responsibility, which improve a process or service, save money and/or increase efficiency.
- ❖ ***Doorway to the Future***—The Doorway to the Future recognizes team success. The Agency’s directors recognize teams that complete special, in-depth projects with Agency-wide impact. Teams implementing “Great Ideas” or other projects may be rewarded based on the scope of the project. Any project team or cross-functional team implementing a special assignment, project or initiative can be considered.
- ❖ ***The Firm Foundation***—The Firm Foundation Award recognizes employees for exceptional performance that supports the mission and demonstrates the values of the Agency. Employees may nominate themselves or a co-worker. Awards are made monthly for exceptional performance reflective of our corporate values.
- ❖ ***The Rooftop***—This annual award recognizes the top performers, the best of the best, the cream of the crop. It is awarded to employees who consistently demonstrate exceptional performance.

Housing Heroes is a simple, effective tool designed to help everyone do his or her best. Its effectiveness, however, depends on the extent to which it is implemented and supported at all levels and how it meets the components of successful recognition and reward programs. A Supervisor’s Guide to Recognition was developed by HR to help ensure the program success. The following matrix assesses the elements of the **Housing Heroes** program against the required components of recognition programs:

	The Brick	Hammer and Nail	Windows of Opportunity	Doorways to the Future	Firm Foundation	The Rooftop
Link to Strategies/Goals	Rewards good work	Rewards extra-special effort	Rewards creative thinking / ideas	Rewards team work	Rewards our values in action	Outstanding performance
Impact a Large of Employees	Everyone can give and receive	Everyone is eligible	Encourages ideas from everyone	Encourages teamwork	Everyone eligible	Everyone eligible
Simple and User-Friendly Systems	Easy coupon to fill out by giver	Manager discretion	Idea form to be completed	Director Team selection	Simple form to nominate	Director Team selection
Involve Employees	Employee Team designed	Employee Team designed	Employees team reviews ideas	Employee Team designed	Employee Team designed	Employee Team designed
Personalized Awards	Personal message/choice of prizes	Personal recognition from Director and Mgr.	Time or money - employee choice	Time or money – employee choice	Cash award and personal letter from Exec. Dir.	Personal recognition from Exec. Dir. and Mgr.
Immediate and Innovative	Can be immediate	Immediate or shortly after the extra effort	Will be immediate or soon after idea is submitted	Recognized soon after completion of project	Within one month of nomination	Annually
Peer Recognition	Peer to peer recognition	Recognition by Manager	Recognition by Team/Exec. Dir.	Recognition by Directors	Peers nominate	Peers may provide feedback

Summary

Housing Heroes was developed by employees for employees as an innovative way to recognize good work and outstanding achievements. It was rolled out in early 2009 and has been quickly embraced by employees, with many employees building their “house” of “Bricks.” In fact, the first printing of 300 Bricks was exhausted in just two months.

We anticipate a great return on investment. Total program costs this year will be about \$4,000, excluding the cost of time off. Putting an exact dollar value on productive, engaged employees may be difficult, but reducing turnover by even one position would save several thousand dollars. Staff already have implemented several ideas for saving costs, from a \$1,000 in reduction of certified mail to consolidation of job duties that made it unnecessary to fill a position after a staff resignation.

Housing Heroes is easily replicable.

Although our original purpose is broad—to build a culture of recognition, not just respond to an economic downturn—**Housing Heroes** has helped us maintain morale and build teamwork despite reduced resources. It has proven to be a low-cost and effective way to recognize and engage.

Are we on the right track? One might think so as staff members have nominated the Agency as a “Best Place to Work” in a regional business competition. **Housing Heroes** is an innovative and cost-effective approach to develop a “culture of recognition.”

“I can live for two months on a good compliment” - Mark Twain